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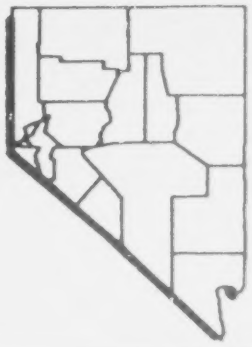

Nevada Employment Security Department

economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

ECONOMIC UPDATE

Unemployment Rate
(SeasonallyAdjusted)

		JUL	AUG	SEP
Nevada	1987	6.0%	6.1%	5.9%
	1986	5.5	5.5	5.6
Las Vegas	1987	6.5	6.3	6.0
	1986	6.0	5.8	5.7
Reno	1987	5.3	5.6	5.3
	1986	4.6	4.7	4.7
U.S.	1987	6.0	6.0	5.9
	1986	7.0	6.8	7.0

Consumer Price Index
All Urban Consumers

	JUL	AUG	SEP
1987	340.8	342.7	344.4
1986	328.0	328.6	330.2

Gross Gaming Revenues
(In Thousands)

	2nd Qtr. 1987	2nd Qtr. 1986
Nevada	$ 979,760	$ 874,854
Las Vegas	677,540	598,335
Reno	179,074	168,106

Taxable Sales
(In Thousands)

	2nd Qtr. 1987	2nd Qtr. 1986
Nevada	$2,578,119	$2,275,322
Las Vegas	1,443,178	1,259,145
Reno	580,853	534,894

NEVADA ECONOMY

3RD QUARTER 1987

Nevada's economy continued on a pattern of increasing employment growth throughout the third quarter of 1987. The quarter began with a seasonally adjusted unemployment rate of 6.0 percent in July, rose slightly to 6.1 percent in August and dropped down to 5.9 percent in September. The jobless rate was three-tenths of a percentage point higher than one year ago. Throughout the quarter, Nevada's rate remained closely matched to the national level. The U.S. unemployment rate began the quarter at 6.0 percent for July and August and ended the quarter at 5.9 percent, identical to the Nevada rate. California's jobless rate opened the quarter at 5.5 percent, dropped slightly to 5.4 percent before rising to 5.9 percent at the close of the third quarter.

Industrial employment in Nevada showed continued strong growth over the year. July industrial employment was 6.7 percent higher than one year ago. August and September also showed increased job growth of 6.4 and 6.2 percent respectively. At the end of the quarter, 31,200 more jobs existed than in September 1986. Service industries showed the largest gain in new jobs with an over the year increase of 15,400 jobs or 7.3 percent. Of these new jobs, 10,200 were accounted for in the hotel, gaming, and recreation (HGR) sector. This employment rise was spurred by a year-over-year increase in gaming revenues of 12.0 percent statewide. Another sector showing rapid employment growth was the trade industry where retail trade accounted for 4,900 out of 5,700 newly created jobs. Growth in this sector was stimulated by a 13.3 percent over the year rise in statewide taxable sales. Construction and finance, insurance, and real estate (FIRE) also witnessed significant employment gains with increases of 11.1 and 10.1 percent respectively. Government showed improvement over last quarter with an over the year gain of 3,000 jobs or 4.8 percent.

On the national front, establishment-based industrial employment growth remained steady throughout the third quarter. The service-producing sector saw a creation of 438,000 new jobs since last quarter while the goods-producing sector witnessed quarter-over-quarter gains of 125,000 jobs. Much of the increase in the service-producing sector was due to an increase in retail trade of 70,000 jobs which offset the slowdown in government where employment gains were negligible due to teacher strikes. Job gains in the goods-producing sector were particularly notable in manufacturing as factory employment growth totaled 165,000 since June, which raised employment to its highest point since August 1985. Growth also occurred in the mining industry which has totaled 40,000 since January, mostly in oil and gas extraction.

The outlook for the Nevada economy in the following months appears to be very healthy. The unemployment rate should remain steady as employment continues to exhibit strong growth. An upward trend in the interest rates may affect the construction and FIRE sectors, however. The current strike at the Nevada Test Site will affect October labor force as the dispute occurred during the sample week which includes the twelfth day of the month. This labor dispute involves approximately 3,000 workers. Despite possible temporary slowdowns in the service industry, Nevada's economy is strong entering the fourth quarter. Effects from the recent stock market slump should be small for the near term.

LAS VEGAS

Economic conditions during the third quarter reflected a great deal of vigor, virtually mirroring the previous quarters of the year. Unemployment remained relatively moderate and jobs gains were stronger than expected over the period. The number of visitors to the area continued at a record pace as reflected by air passenger counts at McCarran International Airport and vehicle traffic counts into the valley.

Unemployment rates during the quarter trended downward. In July, the first month of the quarter, unemployment was recorded at 6.5 percent, the highest reported in many months. The rate fell in August to 6.3 percent or 20,200 persons unemployed, while September declined further to 6.0 percent or 18,800 jobless. The average unemployment rate for the quarter was 6.3 percent, slightly higher than the 6.2 percent recorded in the previous quarter. Unemployment rates during the nine months of 1987 have fluctuated around the 6.0 level and have not demonstrated any tendency to trend up or down to any large degree. It is interesting to note however, that despite this level of unemployment numerous firms are finding it difficult to recruit people to fill entry level, semi-skilled positions.

The number of jobs, as reflected by establishment based industrial employment, continued to swell at a record pace. In fact, job growth in the area is one of the fastest, percentage- wise, in the nation. Job counts in the Las Vegas area during the third quarter averaged 296,500. This is a gain of nearly 22,000 jobs or 8 percent over the same period last year. Monthly job levels continued to reflect an upward trend during the period. In July there were 285,100 jobs, while August increased to 295,600 and September reached 298,900 positions.

Specific industries continued to exhibit strong growth patterns. During September, construction job growth was still at a much faster than average pace, increasing by 12.1 percent over the year and totaling 19,500 jobs. Construction employment levels continue to reflect the significant number of residential building permits authorized in the area. The number of permits has been declining in recent months, probably due to the increase in interest rates. But any decline in residential construction employment will probably be offset by the ongoing strength in commercial construction, as numerous new projects are initiated.

Service industries, particularly the HOR sector and the business service sector, have also exhibited strong gains. Both of these industrial sectors reflected significantly higher than average growth over the year ending in September. There were 8,700 new jobs in HOR, while business service added 3,700 jobs to the area's economy. The gains in HOR are supported by the record number of visitors and the strong growth in gross gaming revenues.

Although the trade industry as a whole has not been growing as fast as the average of all jobs, retail trade, particularly general merchandise and apparel, has shown strength, increasing by 10.3 percent over the year. This is further reflected in the large gains exhibited in total taxable sales receipts in the area. Interestingly, the eating and drinking places sector of retail trade reflected very sluggish gains over the year, increasing by only 3.6 percent, despite a record visitor level. Other areas of slow growth were evident in FIRE, Transportation, communication, and public utilities (TCPU), and government.

The Las Vegas area should continue to show strong growth during the remainder of 1987. Visitor volume will probably set new records and convention business during the fourth quarter of 1987 is expected to be very strong. The announcement of significant business expansions and new entries into the Las Vegas market reflects the current optimism in the economy. These

new businesses should continue to provide significant gains in employment for many months to come.

RENO

Economic conditions in the Reno Metropolitan Statistical Area during the third quarter of 1987 were generally favorable. Tourist visitation levels were high due in part to advertising and promotional efforts undertaken for many special events and activities held during the prime tourist season.

Joblessness in the Reno area during this period was little changed from the previous 22 months. The seasonally adjusted unemployment rate has held within the range of 4.6 to 5.6 percent. This level is quite favorable when compared to rates for Nevada or the Nation. The average number of unemployed for the period totaled 6,600, higher than the year ago level of 5,800. The area's jobless rate was 5.3 percent during July, down slightly from June's 5.4 percent. It increased to 5.6 percent during the following month, attaining the area's highest level thus far this year. It dropped back to 5.3 percent in September.

During the quarter, establishment-based industrial employment averaged 134,600, reflecting a job growth of 2.7 percent over the prior period. All major industries experienced quarter over quarter increases except for government, and that was due primarily to school's summer recess. On a percentage-basis, construction reported the largest employment increase, principally due to building in the non-residential sector. Meanwhile, services and HGR jobs have shown strong gains. Personal, business, and educational services employment were also up. As expected, the retail trade portion of trade showed good gains during the summer months. FIRE also benefitted from the increased construction activity. TCPU and manufacturing grew slightly.

There were 5,900 jobs added to the economy during the past 12 months ending September 1987, reflecting a 4.5 percent growth rate. Total employment stood at a record high level of 135,800, with all major industries showing favorable increases. Almost two-thirds of all new jobs (3,600) were created in services and trade. Services benefitted from large gains in HGR due to an expansion of a major gaming facility, the opening of a major casino in Reno, and an increase in tourism. Retail trade employment was boosted by the opening of two large merchandise stores as well as job increases at numerous smaller firms. Construction and government jobs were up by 800 each. Construction gains occurred primarily in the non-residential sector. Contributing factors for that increase included favorable interest rates and a pent-up demand for office and industrial structures. Government increases occurred principally in the state and local sector, as more services were provided for a growing population. Jobs in FIRE increased by 300, while TCPU added 200 - primarily in transportation. Manufacturing was up by 100, although it was impacted by the closure of Lynch Communications. Mining employment was up by 100, as many firms increased their exploration activities, thus expanding their administrative staff located in Reno.

Several economic indicators for the Truckee Meadows have been favorable. Tourism, as measured by air traffic and vehicle traffic counts, is much higher than last year. Cumulative air traffic activity through August is up by more than 10 percent. In a like manner, vehicle counts are up in excess of 6 percent. Consequently, hotel and motel occupancy levels through August were up by more than 3 percent, this in spite of the addition of 500 more rooms. Taxable sales for the second quarter of this year were up 8.6 percent over the year ago period. This is faster than the 7.8 percent gain reported for the first quarter. However, gaming revenues for the second quarter were only up 5.6 percent, less than one-half the 12.0 percent increase reported for the State. On the negative side, construction permits for single and multiple-residential units were down through August by more than 32 percent when compared to a year ago. Most of this decrease is due to fewer multiples being built as a result of federal tax reform legislation and a high vacancy rate.

Unemployment during the fourth quarter is expected to show little change from current level. Several new manufacturing firms will begin operating during this period, helping to offset the large job loss caused by the Lynch closure. Retail trade employment is also expected to show sizable increases with the opening of several new outlets.

BALANCE OF STATE

Economic growth continued in the balance of state (BOS) counties during the third quarter of 1987. Average industrial employment was 3.6 percent higher than in the second quarter, and it was 5.1 percent higher than it had been during the same period the previous year. Total employment growth in absolute numbers from a year earlier was led by the trade industry (a 7.6 percent growth of approximately 1,000 workers), but the greatest percentage gain was in the mining industry (a 12.7 percent gain of approximately 700 workers). Employment growth was also good in the construction and the manufacturing industries (11.1 percent, 500

workers and 6.6 percent, 400 workers respectively). While the service industry gained approximately 800 workers, that represented only a 2.3 percent gain. Of greater significance, the HGR industry -- long the backbone of the Nevada economy -- grew by only one percent (roughly 200 workers) in the BOS counties.

Seven of the BOS counties had lower unemployment rates for the quarter than in 1986 while eight had higher rates. Because the counties with the largest labor forces had higher rates, the over-all BOS unemployment rate was up by .4 percent to 6.1 percent. Job growth was strong, but it did not quite match the in-migration of workers into the BOS counties. Because of its job growth record, Nevada will continue to attract jobseekers, and lowering the current rates might be difficult.

The unemployment rate for Carson City had been between 5.8 and 6.1 percent since January. In July it rose to 6.3 percent and dropped to 5.7 percent in September. Although there are no major new projects anticipated in Carson City and its surrounding areas, job growth should still be sufficient to keep the unemployment rate from exceeding the 6.3 percent rate of July.

The Douglas County unemployment rate was also up slightly from the previous year. Since the fall quarter has become its poorest quarter of the fiscal year for gross gaming revenues and since manufacturing activities are not growing, no expansion of employment is anticipated until the December holiday hiring takes place in the September. Only the ski resorts could alter that scenario, and their activities depend totally upon weather conditions. Therefore, little change other than the normal seasonal one is foreseen in either Douglas County earnings or employment for the fourth quarter of 1987.

Although Elko County also had a higher rate than in 1986, its economy is doing quite well. Industrial employment has increased in both the mining and the gaming industries. In addition, some firms located in Elko County have indicated their intentions to further expand their labor force. Future unemployment rates will be strongly influenced by the in-migration of jobseekers, but it should remain within the 6.5 to 7.0 percent range.

BALANCE OF STATE
UNEMPLOYMENT RATES BY COUNTY
(SEASONALLY ADJUSTED)

	1987			1986		
COUNTY	JUL	AUG	SEP	JUL	AUG	SEP
CARSON CITY	6.3%	6.2%	5.7%	5.4%	5.3%	5.6%
CHURCHILL	7.7	7.8	7.2	6.1	6.1	6.4
DOUGLAS	6.0	5.8	5.2	5.1	5.6	5.3
ELKO	6.0	6.6	6.8	5.8	5.6	6.0
ESMERALDA	6.8	8.2	7.2	4.2	4.6	4.1
EUREKA	2.4	2.4	3.0	4.0	3.0	2.9
HUMBOLDT	5.7	6.8	6.0	6.2	6.2	6.9
LANDER	4.9	5.6	5.8	6.9	7.0	7.1
LINCOLN	5.6	4.5	6.7	4.2	5.9	5.9
LYON	6.9	6.6	6.6	6.0	6.2	6.1
MINERAL	4.6	6.1	5.3	6.4	5.8	5.5
NYE	4.5	5.1	5.0	6.4	5.7	5.1
PERSHING	4.3	4.4	3.5	3.0	3.7	3.0
STOREY	4.3	4.7	4.7	4.9	5.3	5.6
WHITE PINE	6.5	6.2	5.0	8.0	7.3	8.6

FULL EMPLOYMENT?

by Jim Hanna
Chief, Employment Security Research

For approximately the last 18 months, both the national and Nevada unemployment rates have been on a plateau. The national rate has hovered in the 6.0-7.0 percent range, while Nevada's has been between 5.5 and 6.0 percent. To some this appeared to be a sign of economic weakness, and to others it was somewhat of a paradox because both economies were going through a period of economic expansion.

A more likely explanation is that the level of unemployment has fallen to what is termed the "natural", or in economic terminology, the non-accelerating inflationary unemployment rate. This is simply the unemployment rate at which attempts to lower it further by macroeconomic policies (i.e., fiscal and monetary policies) would result in wage inflation. Under this explanation the current rate has fallen about as far as it can without generating excessive upward pressure on wages. In other words, both economies are either at or approaching full employment.

The "natural" terminology is somewhat misleading as it implies something which is fixed, which is not the case. Major factors impacting the natural rate include demographics, structural changes in the economy, and the existence of programs to assist the unemployed. If certain sectors of the labor force such as teenagers--who typically have high unemployment rates--grow faster than the labor force as a whole, then the natural rate will increase. Economic dislocation resulting in a mismatch between the skills of the unemployed and those demanded by employers will also cause it to rise. The expansion of programs providing income support to the unemployed will have a similar effect. Governmental programs aimed at retraining and/or speeding up the return of the unemployed to work, however, have the opposite effect.

During the 1950s and early 1960s, the labor force was largely composed of adult males and the natural rate was believed to be close to four percent. The large influx of teenagers and women into the labor force in subsequent years caused it to rise, as did economic dislocations resulting from the rapid implementation of technology and growing international trade. In addition, there was a general trend, especially during the latter part of the 1970s, to substantially increase the duration during which the unemployed could draw benefits. At the same time, many employment and training programs such as the Employment Service experienced a decline in funding. All of these factors combined to push the natural rate to approximately six percent.

Many of the factors which caused the natural rate to rise are now beginning to exert downward pressure. Demographic patterns are changing and with them a slowdown in the influx of teenagers into the labor force. Fiscal crises experienced by state unemployment programs in recent years have also cause a tightening up of eligibility standards and consequently a substantial reduction in the percent of the unemployed drawing benefits. In contrast, the changing patterns of international trade and their impact on the industrial structure have probably accelerated the rate of economic dislocation and caused upward pressure on the natural rate of unemployment. While difficult to accurately quantify, the Congressional Budget Office estimates that changes in the age-sex composition of the labor force have reduced the natural rate from six percent in 1981 to 5.7 percent today, and will further reduce it a couple of tenths over the next five years.

Labor Market Success Linked to Educational Levels

The Bureau of Labor Statistics recently released a report linking success in the labor market to education. The data, compiled from the Current Population Survey in March of 1987 indicated that college graduates had a very low rate of unemployment and much higher rates of labor force participation than persons with less education.

College graduates had 88% of their counterparts in the labor force (age 25 to 65 years), compared to high school graduates with a 77 % participation rate and non-graduates at a 61% participation rate. Women with a college degree had a labor force participation rate of 80%, some 14 % below males with college educations.

The labor force in general is becoming more educated. One out of every 4 persons in the labor force has a college degree. Women have shown the largest jump in educational levels, now representing about 40% of all college-educated persons in the labor force.

Unemployment rates for college graduates were the lowest of the categories at 2.5% in March. Those persons with 1 to 3 years of higher education had a 4.5% unemployment rate, while high school graduates averaged 6.3% unemployment. High school dropouts, on the other hand, experienced an 11.1% unemployment rate for the period.

HOW THE GOVERNMENT MEASURES UNEMPLOYMENT*

by Lynda Yorgey, Labor Economist

Each month the Bureau of Labor Statistics (BLS) announces the total number of persons who are employed and unemployed in the United States for the previous month. Since it would be too costly and time consuming to gather information on each and every person in the labor force a sample of these individuals is conducted. This survey is known as the Current Population Survey (CPS). The CPS is taken to determine how many people are currently employed or looking for work. About 59,500 households are contacted each month by a group of Census Bureau workers who interview the sample households for information regarding jobholding, jobseeking, or non-labor force activities during the preceding week (the week which includes the 12th of the month) of all the civilian household members who are at least 16 years of age. This information is then processed at the Bureau of the Census in Washington, D.C.

Each person interviewed is classified according to the activities reported during the preceding week. These total numbers are then adjusted or "weighted" to independent estimates which are based upon updated decennial census results. The weighting takes into account factors such as age, sex, race and the urban-rural distribution of the population so that these characteristics are reflected in the proper proportions in the final estimates.

To achieve comparable results, all interviews must follow the same procedures. In order to obtain good information, questions for every interview are identical in both wording and sequence. New interviewers are given three months of intensive training and are required to attend several workshops each year.

The Current Population Survey is designed in such a way that every civilian (age 16 years or older) is classified as either: Employed; Unemployed; or Not in the labor force. The only persons not placed in one of these three classifications are those individuals who are in institutions such as mental hospitals or prisons. Persons classified as either employed or unemployed are considered as part of the labor force (i.e., Labor force = Total employed + Total unemployed). Persons who are not in the labor force are combined with those in the civilian labor force to constitute the total civilian noninstitutional population 16 years of age and over.

Who is counted as Employed?

Not all of the job situations in the U.S. economy fit neatly into a category or classification. For example, persons are considered as "Employed" if they did any work at all for either pay or profit during the survey week. This includes all part-time and temporary employment as well as regular full-time work. People are also considered as employed if they had a job during the survey week but did not actually work due to one or more of the following reasons: They were on vacation; were ill; involved in a labor dispute; prevented from working due to inclement weather; or took time off for personal reasons. These persons are counted as employed, but tabulated separately as "with a job but not at work" because they have a specific job to which they will return.

Another group of individuals who are included as employed are those who are classified as "unpaid family workers." This group includes any person who works 15 hours or more without pay in a family operated enterprise (e.g., agriculture or retail). These people contribute significantly to the productive effort and are therefore an important part of our labor supply. However, an exception to this group are unpaid family workers who work fewer than 15 hours a week and are counted as "not in the labor force."

Who is counted as Unemployed?

A person is considered unemployed if he/she has actively looked for work in the past four weeks, is currently available for work, and is not, of course, employed at the same time. The term "looking for work" may refer to any of the following activities: registering at an employment office; meeting/interviewing with prospective employers; checking with friends or relatives; placing or answering advertisements; writing letters of application; or being on a union or professional register. Two other groups of individuals do not have to engage in one of the specified jobseeking activities just mentioned in order to be counted as unemployed. These are persons waiting to start a new job within 30 days or workers waiting to be recalled from a layoff. Except for these two reasons, all other individuals, other than those who are temporarily ill, must be currently available for work if they are to be counted as unemployed.

Who is not in the Labor Force?

Persons under 16 years of age and inmates of institutions are excluded from the official labor force measurement. All other members of the noninstitutional population are eligible to be included in the labor force. Those who are age 16 years and over who have a job or are actively seeking employment are classified as "in the labor force." All others are counted as "not in the labor force." Reasons that prevent people from participating in the labor force are: going to school; family responsibilities; physical or mental disability. The following table shows the placement of the civilian noninstitutional population 16 years of age or over in the first two quarters of 1987.

Table 1. Indicators of Labor Market Activity, Quarters I and II, 1987

Category	1987 Quarterly Averages	
	I	II
	(thousands of persons)	
Labor force 1/	121,341	121,771
Total employment	113,906	114,593
Civilian labor force	119,615	120,038
Civilian employment	112,180	112,860
Unemployment	7,435	7,178
Not in the labor force	62,912	62,978
Discouraged workers	1,037	1,011

1/ Includes the resident Armed Forces.

How is local unemployment measured?

Each month the States prepare monthly estimates for State and area unemployment following the guidelines set by the BLS. Unemployment figures are derived from data involving three categories of unemployment workers:

(1) Those who were last employed in industries covered by State unemployment insurance (UI) laws;

(2) Those previously employed in industries not covered by UI laws;

(3) Entrants and reentrants into the labor force.

State agencies will then adjust the total estimates to conform with annual estimates from the Current Population Survey. In order to accomplish the task, the BLS developed a procedure which "links" monthly estimates of unemployment insurance claims prepared by state employment security agencies to the annual data derived from the CPS. This system developed by the BLS is also used in several other countries including Canada, Italy, and Japan. It is difficult, however, to compare other countries' unemployment rates with ours due to the international differences in unemployment levels and rates which may occur.

*Source: Bureau of Labor Statistics

NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1987			1986		
	JUL	AUG	SEP[P]	JUL	AUG	SEP
CIVILIAN LABOR FORCE	569.7	566.6	566.5	548.2	548.4	550.0
UNEMPLOYMENT	33.5	32.2	30.0	29.7	28.5	27.7
UNEMPLOYMENT RATE	5.9%	5.7%	5.3%	5.4%	5.2%	5.0%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.0%	6.1%	5.9%	5.5%	5.5%	5.6%
TOTAL EMPLOYMENT 1/	536.2	534.4	536.6	518.5	519.9	522.3
NONAGRICULTURAL EMPLOYMENT	528.2	525.8	529.6	510.5	511.4	515.3
AGRICULTURAL EMPLOYMENT	8.0	8.6	7.0	8.0	8.6	7.0
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.1	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1987			1986		
	JUL	AUG	SEP[P]	JUL	AUG	SEP
TOTAL NONAGRICULTURAL	505.5	507.0	511.3	473.7	476.5	480.1
MINING	7.3	7.2	7.2	6.4	6.5	6.5
METAL MINING	6.0	6.0	5.9	5.2	5.3	5.2
CONSTRUCTION	32.3	32.9	32.7	29.4	29.9	29.3
MANUFACTURING	23.7	23.8	23.6	22.5	22.6	22.7
DURABLE GOODS	14.7	14.8	14.8	14.3	14.4	14.3
STONE, CLAY, & GLASS PRODUCTS	1.6	1.5	1.5	1.5	1.5	1.5
PRIMARY METAL INDUSTRIES	1.0	1.0	1.0	1.0	1.0	1.0
NON-DURABLE GOODS	9.0	9.0	8.8	8.2	8.2	8.4
FOOD PRODUCTS	1.6	1.6	1.5	1.5	1.5	1.5
PRINTING & PUBLISHING	4.2	4.1	4.1	3.8	3.8	3.9
CHEMICALS	0.8	0.8	0.8	0.8	0.8	0.8
TRANSPORTATION & PUBLIC UTILITIES	27.8	27.8	27.9	27.1	27.2	27.1
TRANSPORTATION	16.3	16.4	16.5	15.6	15.7	15.7
RAILROAD	1.3	1.3	1.3	1.3	1.3	1.3
TRUCKING & WAREHOUSE	4.5	4.5	4.6	4.3	4.2	4.3
AIR	4.1	4.0	4.1	4.0	4.0	4.0
PUBLIC UTILITIES	11.5	11.4	11.4	11.5	11.5	11.4
TOTAL TRADE	102.1	102.6	102.6	95.6	96.3	97.0
WHOLESALE	18.0	18.0	17.9	16.9	17.1	17.1
RETAIL	84.1	84.6	84.7	78.7	79.2	79.9
GENERAL MERCHANDISE & APPAREL	15.1	15.3	15.5	13.6	13.7	14.0
FOOD STORES	11.8	11.8	11.9	11.4	11.5	11.6
AUTO DEALERS & SERVICE STATIONS	11.1	11.3	11.2	10.4	10.5	10.5
EATING & DRINKING PLACES	28.5	28.5	28.4	26.7	27.0	27.1
FINANCE, INSURANCE & REAL ESTATE	24.3	24.5	24.5	22.9	23.1	23.1
FINANCE	10.8	10.9	10.9	10.2	10.3	10.4
SERVICE INDUSTRIES	227.6	228.0	227.8	211.6	212.5	212.4
HOTELS, GAMING & RECREATION	144.1	144.2	143.7	133.8	134.1	133.5
PERSONAL	5.9	5.9	6.0	5.7	5.7	5.8
BUSINESS	27.7	27.7	27.8	24.7	25.0	25.3
MEDICAL & HEALTH	20.7	20.9	21.0	20.1	20.2	20.3
GOVERNMENT	60.4	60.2	65.0	58.2	58.4	62.0
FEDERAL	11.7	11.7	11.7	11.1	11.1	10.9
STATE & LOCAL	48.7	48.5	53.3	47.1	47.3	51.1
EDUCATION - STATE & LOCAL	18.8	18.7	23.9	18.4	18.6	22.9

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P - PRELIMINARY

LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1987			1986		
	JUL	AUG	SEP P	JUL	AUG	SEP
CIVILIAN LABOR FORCE	329.5	326.3	327.2	312.4	312.2	314.5
UNEMPLOYMENT	21.6	20.2	18.9	19.0	17.9	17.3
UNEMPLOYMENT RATE	6.5%	6.2%	5.8%	6.1%	5.7%	5.5%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.5%	6.3%	6.0%	6.0%	5.8%	5.7%
TOTAL EMPLOYMENT 1/	308.0	306.1	308.3	293.4	294.3	297.2
NONAGRICULTURAL EMPLOYMENT	306.1	304.1	306.6	291.5	292.2	295.6
AGRICULTURAL EMPLOYMENT	1.9	2.1	1.7	1.9	2.1	1.7
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.1	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

****

ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1987			1986		
	JUL	AUG	SEP P	JUL	AUG	SEP
TOTAL NONAGRICULTURAL	285.1	285.6	288.9	263.0	264.5	267.5
MINING	0.3	0.3	0.2	0.3	0.3	0.3
CONSTRUCTION	19.2	19.5	19.4	17.3	17.6	17.3
MANUFACTURING	8.7	8.7	8.7	8.1	8.2	8.2
DURABLE GOODS	4.4	4.4	4.4	4.1	4.2	4.2
STONE, CLAY, & GLASS PRODUCTS	0.8	0.7	0.7	0.8	0.7	0.7
NON-DURABLE GOODS	4.3	4.3	4.3	4.0	4.0	4.0
FOOD PRODUCTS	0.7	0.7	0.7	0.7	0.7	0.7
PRINTING & PUBLISHING	2.1	2.1	2.1	1.9	1.9	2.0
CHEMICALS	0.6	0.6	0.6	0.6	0.6	0.6
TRANSPORTATION & PUBLIC UTILITIES	15.8	15.8	15.9	15.2	15.3	15.3
TRANSPORTATION	9.7	9.7	9.8	9.2	9.3	9.3
RAILROAD	0.4	0.4	0.4	0.4	0.4	0.4
AIR	3.0	3.0	3.0	3.0	3.0	3.0
PUBLIC UTILITIES	6.1	6.1	6.1	6.0	6.0	6.0
TOTAL TRADE	58.7	59.0	59.2	54.8	55.1	55.7
WHOLESALE	9.8	9.9	9.9	9.1	9.2	9.2
RETAIL	48.9	49.1	49.3	45.7	45.9	46.5
GENERAL MERCHANDISE & APPAREL	8.2	8.4	8.6	7.6	7.6	7.8
EATING & DRINKING PLACES	17.5	17.4	17.3	16.4	16.5	16.7
FINANCE, INSURANCE & REAL ESTATE	14.6	14.7	14.8	13.6	13.7	13.8
FINANCE	6.6	6.7	6.7	6.1	6.1	6.2
SERVICE INDUSTRIES	137.7	137.8	138.4	124.7	125.3	126.0
HOTELS, GAMING & RECREATION	91.6	91.4	91.9	82.8	83.0	83.3
PERSONAL	3.8	3.8	3.8	3.6	3.7	3.7
BUSINESS	14.5	14.5	14.5	12.4	12.6	12.8
GOVERNMENT	30.7	29.8	32.3	29.0	29.0	30.9
FEDERAL	6.4	6.4	6.5	6.0	6.0	6.0
STATE & LOCAL	23.7	23.4	25.8	23.0	23.0	24.9
EDUCATION - STATE & LOCAL	9.5	9.4	12.1	9.3	9.3	11.4

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK - DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P - PRELIMINARY

RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1987			1986		
	JUL	AUG	SEP P	JUL	AUG	SEP
CIVILIAN LABOR FORCE	140.7	139.8	140.2	138.5	138.5	138.6
UNEMPLOYMENT	6.7	6.8	6.3	5.8	5.8	5.7
UNEMPLOYMENT RATE	4.8%	4.9%	4.5%	4.2%	4.2%	4.1%
UNEMP. RATE (SEASONALLY ADJUSTED)	5.3%	5.6%	5.3%	4.6%	4.7%	4.7%
TOTAL EMPLOYMENT 1/	134.0	133.0	133.9	132.7	132.7	133.0
NONAGRICULTURAL EMPLOYMENT	133.0	131.9	133.0	131.7	131.6	132.1
AGRICULTURAL EMPLOYMENT	1.0	1.1	0.9	1.0	1.1	0.9
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

****

ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1987			1986		
	JUL	AUG	SEP P	JUL	AUG	SEP
TOTAL NONAGRICULTURAL	133.9	134.2	135.8	128.3	129.4	129.9
MINING	0.8	0.8	0.8	0.7	0.7	0.7
CONSTRUCTION	8.2	8.3	8.4	7.6	7.8	7.6
MANUFACTURING	8.5	8.6	8.5	8.3	8.3	8.4
DURABLE GOODS	5.6	5.6	5.6	5.6	5.6	5.6
NON-DURABLE GOODS	2.9	3.0	2.9	2.7	2.7	2.8
TRANSPORTATION & PUBLIC UTILITIES	8.9	8.9	8.9	8.7	8.8	8.7
TRANSPORTATION	4.8	4.8	4.8	4.6	4.7	4.6
RAILROAD	0.4	0.4	0.4	0.4	0.4	0.4
TRANSPORTATION EXCL. RAILROAD	4.4	4.4	4.4	4.2	4.3	4.2
PUBLIC UTILITIES	4.1	4.1	4.1	4.1	4.1	4.1
TOTAL TRADE	30.4	30.5	30.5	28.9	29.2	29.2
WHOLESALE	6.7	6.7	6.6	6.5	6.6	6.5
RETAIL	23.7	23.8	23.9	22.4	22.6	22.7
GENERAL MERCHANDISE & APPAREL	5.6	5.7	5.7	4.9	5.0	5.1
EATING & DRINKING PLACES	6.8	6.8	6.8	6.5	6.6	6.5
FINANCE, INSURANCE & REAL ESTATE	7.2	7.2	7.2	6.9	6.9	6.9
SERVICE INDUSTRIES	54.8	55.0	54.9	52.8	52.9	52.6
HOTELS, GAMING & RECREATION	32.1	32.2	32.1	30.9	30.9	30.5
PERSONAL	1.4	1.4	1.4	1.3	1.3	1.3
GOVERNMENT	15.1	14.9	16.6	14.4	14.8	15.8
FEDERAL	3.1	3.0	3.0	2.9	2.9	2.8
STATE & LOCAL	12.0	11.9	13.6	11.5	11.9	13.0
EDUCATION - STATE & LOCAL	5.9	5.7	7.4	5.7	6.0	7.3

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JUL 1987	AUG 1987	SEP[P] 1987	JUL 1987	AUG 1987	SEP[P] 1987	JUL 1987	AUG 1987	SEP[P] 1987
MINING	$618.98	$621.79	$627.10	42.6	43.3	43.7	$14.53	$14.36	$14.35
CONSTRUCTION	590.24	609.02	552.92	36.1	37.0	34.3	16.35	16.46	16.12
MANUFACTURING	385.73	387.25	398.16	39.4	39.8	39.5	9.79	9.73	10.08
DURABLE GOODS	409.05	410.00	417.74	40.5	41.0	40.4	10.10	10.00	10.34
STONE, CLAY & GLASS	540.50	535.92	573.33	40.7	40.6	43.9	13.28	13.20	13.06
PRIMARY METALS	619.92	602.57	741.84	41.0	39.8	38.2	15.12	15.14	19.42
NONDURABLE GOODS	344.63	346.46	360.61	37.5	37.7	37.8	9.19	9.19	9.54
PRINTING & PUBLISHING	352.76	357.81	380.36	36.9	36.4	37.0	9.56	9.83	10.28
PUBLIC UTILITIES	561.76	573.87	567.73	39.7	40.3	39.1	14.15	14.24	14.52
TRADE	308.00	300.85	312.74	35.2	34.7	35.1	8.75	8.67	8.91

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JUL 1987	AUG 1987	SEP[P] 1987	JUL 1987	AUG 1987	SEP[P] 1987	JUL 1987	AUG 1987	SEP[P] 1987
CONSTRUCTION	$571.43	$596.58	$558.49	35.1	36.2	34.2	$16.28	$16.48	$16.33
MANUFACTURING	481.56	472.42	513.78	39.7	39.9	39.4	12.13	11.84	13.04
DURABLE GOODS	551.35	531.66	588.24	40.6	40.4	39.4	13.58	13.16	14.93
NONDURABLE GOODS	385.77	389.86	407.64	38.5	39.3	39.5	10.02	9.92	10.32
TRANSPORT. & UTILITIES	458.89	479.18	466.48	39.8	40.2	39.2	11.53	11.92	11.90
WHOLESALE TRADE	394.63	411.34	414.74	37.8	38.3	39.2	10.44	10.74	10.58
RETAIL TRADE	246.03	236.26	248.64	32.5	32.1	32.0	7.57	7.36	7.77

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
500 E. THIRD STREET
CARSON CITY, NEVADA 89713-0001

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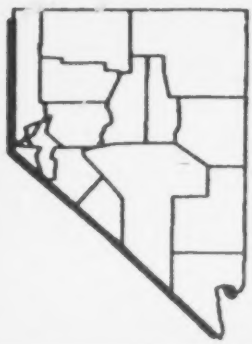

Nevada Employment Security Department

economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

ECONOMIC UPDATE

Unemployment Rate
(Seasonally Adjusted)

		OCT	NOV	DEC
Nevada	1987	6.2%	6.3%	6.3%
	1986	5.5	5.6	5.7
Las Vegas	1987	6.4	6.4	6.4
	1986	5.6	5.7	5.8
Reno	1987	5.5	5.7	5.9
	1986	5.0	4.9	5.1
U.S	1987	6.0	5.9	5.8
	1986	6.9	6.9	6.7

Consumer Price Index
All Urban Consumers

	OCT	NOV	DEC
1987	345.3	345.8	345.7
1986	330.5	330.8	331.1

Gross Gaming Revenues
(In Thousands)

	3rd Qtr. 1987	3rd Qtr. 1986
Nevada	$ 1,038,262	$ 915,313
Las Vegas	689,001	592,161
Reno	197,397	188,428

Taxable Sales
(In Thousands)

	3rd Qtr. 1987	3rd Qtr. 1986
Nevada	$ 2,639,478	$ 2,378,041
Las Vegas	1,402,756	1,281,550
Reno	601,147	594,147

NEVADA ECONOMY
4th Quarter 1987

The Nevada economy showed good performance throughout the final quarter of 1987. In October, the seasonally adjusted unemployment rate was 6.2 percent while the November and December rates stood at 6.3 percent. The December jobless rate was six-tenths of a percentage point higher than one year ago. Throughout the quarter, the Nevada unemployment rate remained slightly higher than the national level. The U.S. jobless rate began the quarter at 6.0 percent, declined to 5.9 percent in November before finishing the quarter at 5.8 percent. California's unemployment rate showed quite a bit of movement in the final quarter of 1987 as it opened with 6.0 percent in October before dipping to 5.3 percent in November and closing at 5.2 percent in December.

Nevada finished the last quarter of 1987 as the leader in industrial employment growth nationwide, as it did throughout most of 1987, with a gain of 6.5 percent over-the-year. At the end of the quarter, 31,200 more jobs existed than in December 1986. It should be noted that data for November and December of this year reflect the ten week strike at the Nevada Test Site involving approximately 3,200 workers. Every major industry experienced positive growth during the final quarter with services showing the largest gain at year-end. The total number of jobs created over-the-year in the services industry was 14,000 which was a gain of 6.7 percent. Of these total service jobs, 9,900 were created in the hotel, gaming, and recreation

(HGR) sector alone. Another sector showing strong economic growth was the trade industry as 6,100 jobs were created. Retail trade accounted for 5,100 of those jobs. Other industries showing rapid over-the-year increases in employment were the mining and construction industries. Mining created a "boom" environment in many rural areas as the industry created 1,000 new jobs over-the-year, at a growth rate of 15.2%. Construction, especially strong in the southern Nevada economy, grew at a rate of 14.4% over-the-year.

The manufacturing industry also enjoyed good growth with an increase of 1,300 workers over-the-year. Despite the effects of the stock market plunge in October, the finance, insurance, and real estate (FIRE) sector saw an over-the-year employment gain of 5.6 percent. Transportation and public utilities (TCPU) ended the year with a modest 2.6 percent gain while government rose by 4.4 percent since December 1986.

Nationally, civilian employment increased by 3.1 million during the course of 1987, the largest annual gain since 1984 according to the Bureau of Labor Statistics. Establishment based industrial employment grew by 589,000 jobs since last quarter. The majority of the gain occurred in the Service-producing sector, which totalled 383,000 additional workers. Most of these gains occurred in the business and health services. As was expected, the industry's finance component was unchanged from November 1987 and showed hardly any growth since July. Retail trade employment also slumped as jobs in general merchandise stores saw a seasonally adjusted drop of 35,000 during the last quarter. On the other hand, the goods producing sector was strong as construction employment was up 200,000 from one year ago and manufacturing employment grew for the sixth straight month adding 40,000 jobs during the month of December.

The outlook for the Nevada economy is good although a slight upward movement in the unemployment rate for the first part of 1988 is possible. Job growth remains strong in most sectors and this pattern should continue into 1988.

LAS VEGAS

During the fourth quarter the Las Vegas MSA labor market continued to exhibit strong growth as employment increased steadily, reaching a high for the year in December. Unemployment averaged somewhat higher than previous quarters, but this increase is viewed by analysts as generally insignificant.

The seasonally adjusted unemployment rate remained unchanged during the three months of the quarter at 6.4 percent, while the number of unemployed reached a yearly high in December of nearly 23,000 persons. However, the size of the labor force and employment continued to increase as well, also reaching a yearly high in December. For all of 1987, unemployment averaged around 6.4 percent. Despite this level of unemployment, employers indicate that numerous entry level, semi-skilled jobs, particularly in the service and trade industries, continue to be difficult to fill.

Quarterly employment gains as reflected by establishment-based industrial employment continued at a very robust pace, reflecting an annual increase of just over 8 percent or 22,100 jobs. This percentage increase in jobs is one of the fastest in the nation. Employment numbers during the quarter were 292,100 in October, 293,900 in November and 293,800 in December.

The construction industry continued to exhibit significant strength during the quarter despite a small decline in employment. This decline was much less than anticipated for the period suggesting higher than normal building activity. Over the year ending in December, the number of construction jobs increased by 2,600 or 15.7 percent. Residential building permits for the area are nearly at the same level as 1986. But, many of the job gains can be accounted for by the significant increase in commercial construction.

As would be expected, the vast majority of new jobs in the area during the past year were in the hotel/gaming/recreation sector of the service

industry. Employment gains in this sector were nearly 10 percent, or 8,300 jobs since December 1986. The strength of the tourism industry is also evidenced by record visitor numbers, double digit increases in gross gaming revenues, and a significant monetary investment in expansions or new construction. However, strong job growth was also exhibited by the business service sector where increases approached 11 percent.

Growth in the number of jobs for the mining, manufacturing, trade, transportation/ communications/public utilities, finance/ insurance/real estate, and government industries was less than the average employment increase of all industries during the past twelve months ending in December. However, this does not necessarily reflect worsening economic conditions for these industries. The retail trade sector remains strong as evidenced by significant increases in taxable sales during recent months. At the same time, however, some of the employment weakness in the transportation/ communications / public utilities industry can be accounted for by a recent operational change and relocation of a regional airline to another area.

During 1987 there were many new jobs created by numerous new firms and business expansions in Las Vegas, and this is expected to continue in the upcoming year. However, the area's economic fortune will still largely depend upon the economic conditions found in California, the area's primary tourist market, and to a lesser degree, the nation in general. Recently, national and California unemployment rates have trended downward and the outlook for the next few months is favorable.

During 1988 job growth in the service and trade industries should continue to be strong as Las Vegas visitor levels are projected to reach new highs. A robust commercial construction industry will continue to reshape the valley skyline. Residential building should remain around 1987 levels, spurred on by a housing demand created by one of the nation's fastest growing populations. Las Vegas unemployment levels in 1988 will probably remain near, or be slightly higher than 1987 levels, averaging somewhere between 6 and 7 percent. Job growth, as reflected in establishment-based industrial employment, will continue to be strong increasing by as much as 6 to 7 percent.

RENO

The Truckee Meadows' economy experienced relatively sluggish growth during the fourth quarter of 1987. While population and tourism are increasing, gains in employment are slower than expected and for the first time since November 1985, Reno's jobless rate is above the Nation's.

The seasonally adjusted unemployment rate for the Reno area increased slightly during the final quarter of 1987 when compared to the previous quarter and the year ago period. October's joblessness stood at 5.5 percent, increasing to 5.7 percent in November, and rising further to 5.9 percent the following month. December's jobless rate was the year's highest; in fact, it was the highest in almost two years (February 1986). Reno's rate is now slightly higher than the national December rate of 5.8 percent. The number of unemployed averaged 7,800, well above the 6,800 reported for the year ago quarter. In spite of these increases, Reno's rate was lower than the State's and Las Vegas'.

Total jobs in the Truckee Meadows during the quarter averaged 134,600, up fractionally from the prior period of 134,500. Two industries showed seasonal increases; government jobs were up due to re-opening of schools, and trade employment was up due to seasonal hirings for the holidays. Construction, service and hotels/ gaming/recreation employment were down due to seasonal factors, as slowdowns in business activity have occurred earlier than expected. The remaining industries changed very little.

December's total job count of 134,200 reflected a 3.9 percent increase over the year ago month. This resulted in an increase of 5,000 jobs added to the economy during the past 12 months. The bulk of the gain was attributed to

the tourist-related components of the local economy, service and trade. Employers in service added 1,700 workers to their payrolls, closely followed by 1,500 in trade. Construction employment was up by 700 (9.9 percent), primarily in the non-residential sector. There has been a great deal of activity in shopping centers, office buildings, warehouses/industrial buildings, highways/roadways, and government projects. Jobs in government were up by 500, on the federal, state, and local levels. Finance/insurance/real estate was up by 300, benefitting from increased construction activity. Transportation/public utilities was up by 200, primarily in the transportation sector. Mining was up by 100, while manufacturing remained unchanged at 8,400 and reflects the closure of the Lynch Communications plant.

As opposed to job growth, several economic indicators for the area showed considerable improvement. Gaming establishments reported October winnings of $67.0 million, an increase of 11.4 percent over the year ago month. This gain was significantly higher than the 4.8 percent year over year increase reported for the third quarter of 1987. Retail establishments sold $191.2 million in merchandise which was 4.9 percent higher than October 1986. This gain was also significantly higher than the 1.2 percent year over year increase reported for the third quarter of 1987.

Cumulative air passenger counts at the Reno Cannon International Airport through November were up almost 9 percent over a year ago. Cumulative automobile vehicle traffic counts through November were up more than 6 percent. Cumulative hotel/motel occupancy rates through November averaged 72 percent, slightly higher than the 1986 level with 500 more available rooms.

Joblessness in the Reno area during the first quarter of 1988 should remain at current levels, possibly increasing slightly. The opening of several new manufacturing and retail trade businesses will also favorably impact the area's employment.

BALANCE OF STATE

The economic growth experienced by the balance of state (BOS) counties in the first three quarters of 1987 continued into the final quarter of the year. This occurred in spite of the fact that the seasonally adjusted unemployment rates were higher for each month of the quarter for the BOS counties overall than for the previous year and that the unemployment rate averages were higher for nine of the individual counties and lower for only six counties. At least some portion of those higher rates can be attributed to the strike at the Nevada Test Site that has since been settled.

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BALANCE OF STATE
UNEMPLOYMENT RATES BY COUNTY
(SEASONALLY ADJUSTED)

	1987			1986		
COUNTY	OCT	NOV	DEC	OCT	NOV	DEC
CARSON CITY	6.6%	6.6%	6.9%	5.4%	5.7%	5.3%
CHURCHILL	7.8	7.5	8.5	6.7	7.3	6.9
DOUGLAS	5.5	5.6	6.2	5.8	5.8	7.0
ELKO	5.5	6.0	5.6	5.5	5.4	4.7
ESMERALDA	8.5	9.2	8.9	4.7	6.4	4.8
EUREKA	2.3	2.5	3.0	3.8	3.7	3.5
HUMBOLDT	6.8	5.5	5.1	6.5	7.4	6.8
LANDER	6.3	6.5	7.6	7.6	7.3	6.5
LINCOLN	7.0	5.9	5.5	5.7	5.8	6.9
LYON	6.5	6.4	6.8	6.1	5.7	5.7
MINERAL	6.0	7.4	6.5	6.6	6.3	5.9
NYE	5.7	6.7	5.5	5.2	5.0	4.8
PERSHING	4.3	4.3	4.5	4.0	3.9	4.3
STOREY	5.8	8.8	5.9	7.1	7.4	7.4
WHITE PINE	6.0	5.5	7.1	8.3	8.5	7.6

Evidence of the economic growth in the BOS counties is that the establishment-based industrial employment there increased by approximately 4100, or 5.1 percent, between December 1986 and December 1987. A significant aspect of that growth is that it was distributed across several industries. The increased distribution was as follows: mining, 900; construction, 700; manufacturing, 700; trade, 800; service, 500 (of which 400 were in hotels, gaming, and recreation); and government, 500 (of which 300 were in education). In other words, although mining growth received the most attention, it was not the only area of activity in the BOS counties.

The unemployment rate for Carson City rose to a 6.7 percent average for the final quarter of the year. That figure is higher from both the previous quarter and from the same quarter for 1986, because of a reduction in available jobs due to declines in manufacturing. Little change is expected until at least the second quarter of 1988 when some scheduled job increases may lower the unemployment rate.

The fourth quarter average unemployment rate for Douglas County of 5.6 percent was essentially unchanged from the third quarter, but was below the 6.2 percent recorded for the same period of the previous year. Douglas County, like Carson City, is not matching the job growth of the BOS counties as a whole. The favorable unemployment figures for 1987 are the result of a declining labor force, not improved job availability. Some Douglas County employers indicate that 1988 should offer an improved job market, however.

Elko County is benefitting from the gold mining and gaming industries. The average unemployment rate for the county declined from 6.4 percent in the third quarter to 5.7 percent in the fourth as job creation exceeded the growing labor force. Elko County is expected to maintain this growth pattern for at least another few months.

LABOR MARKET INFORMATION PUBLICATIONS

The research section of the Nevada Employment Security Department has recently completed and published two documents under its labor market information (LMI) program. These publications are presently available at no charge.

Nevada Area Labor Review, Economic Developments and 1988 Outlook is an annual publication which examines the State, Nation, Nevada's two metropolitan areas, and the Balance of State composite area. In addition, 1988 labor market expectations are reviewed. Population and income trends are also presented.

Nevada Wages - 1987 is a survey of wages that is conducted on an annual basis to aid businesses, government decision makers, and job seekers in evaluating earnings in the labor market. Wages shown in the employer survey represent private and public sector weighted minimum and maximum hourly wage rates for selected occupations as of July 1987. Geographically, data are presented for the Reno area (Washoe County), Las Vegas area (Clark County), the balance of the state (15 county composite), as well as an overall State average.

To receive either of these publications, write to: Employment Security Research, 500 East 3rd Street, Carson City, Nevada 89713, or call (702)-885-4550.

NEW TAX RATE SCHEDULE FOR UNEMPLOYMENT INSURANCE

by

Tom Hills, Labor Economist

Upon the recommendation of the Employment Security Advisory Council, the Executive Director has adopted the contribution schedule for 1988 that produces an average tax rate of 1.45% on the first $12,100 of each worker's wages. This represents a reduction from 1987's assessment of 1.55% of taxable wages, the fourth consecutive tax cut, and the lowest rate in the over 50 years that Nevada's Unemployment Insurance program has been in existence.

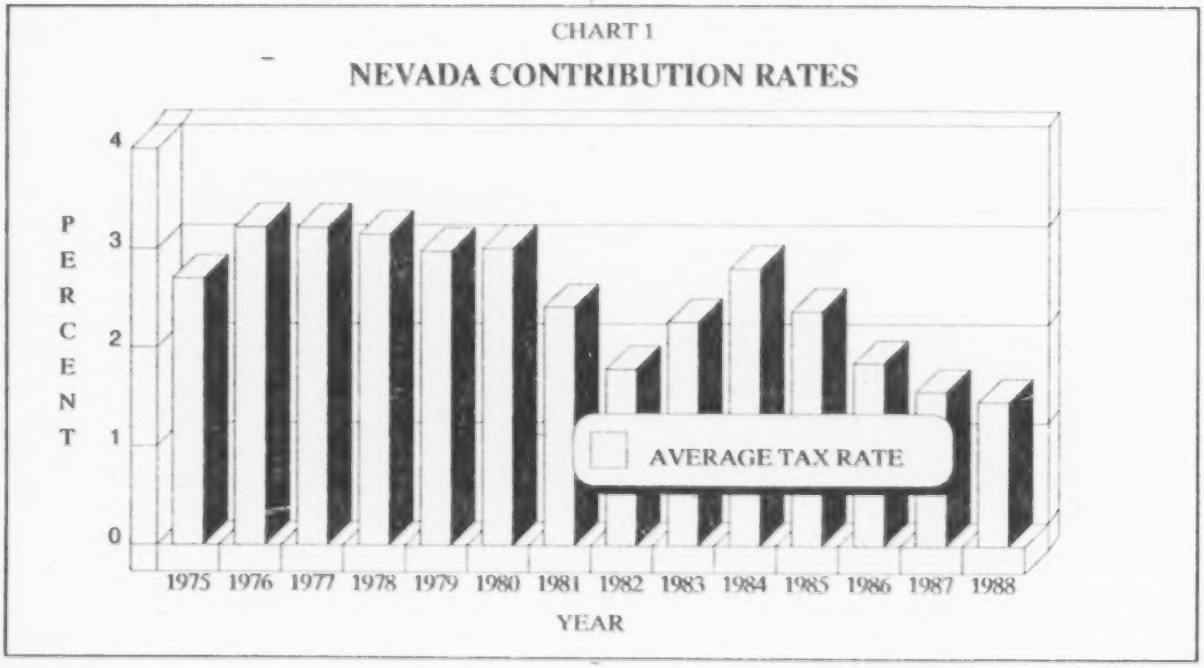
Eligible unemployed Nevada workers are paid benefits from a trust fund instituted exclusively for that purpose. The fund balance totaled $228.7 million at the end of fiscal year 1987, well above the statutory solvency recommendation. Department analysts felt a slight tax decrease was appropriate as the schedule should generate adequate revenue to maintain the integrity of the UI trust fund through the year while granting tax relief to a majority of the state's eligible employers.

The Unemployment Insurance trust fund is financed throrough a payroll tax paid by employers; no deductions are made from employees' wages. New businesses pay a standard contribution rate of 3.0% for about three years while a track record of employment versus unemployment develops, and then become eligible for a reduced rate. To trace this experience, a separate bookkeeping record is maintained for each employer and all contributions paid over the lifetime of the firm are credited to this account while benefits paid to former employees are charged against it.

The difference between the credits and charges to the account is known as the "reserve balance" and may be either positive or negative. In order to place all employers on an equal foundation with respect to firm size, the reserve balance is divided by the employer's average taxable wages for the last three years to obtain the "reserve ratio".

Based on the reserve ratio, eligible employers are assigned one of 18 tax rates. A reduced rate of as little as 0.3% is assigned to employers with high positive reserve ratios while firms with high negative ratios face tax rates which may well

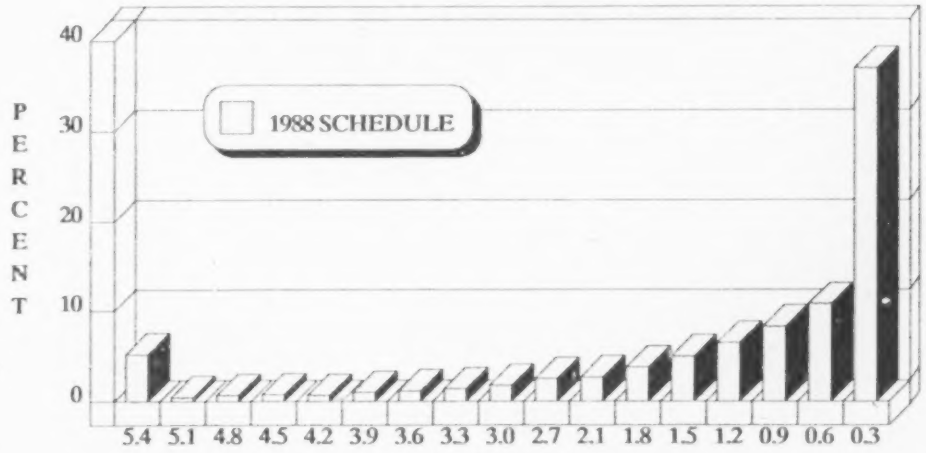
CHART 1



exceed the standard rate, up to a maximum of 5.4%. The tax rate schedule adopted by the department for 1988, illustrated in Chart 2, encompasses 37 percent of eligible employers at the minimum tax rate of 0.3 percent.

CHART 2

DISTRIBUTION OF ELIGIBLE EMPLOYERS



NEW ECONOMIC PUBLICATION NOW AVAILABLE

by Kim Harris, Labor Economist

Economic forecasts for Nevada and six other Western states are now available in The Western Blue Chip Economic Forecast, a new monthly newsletter available from Arizona State University. The newsletter, published by the University's Economic Outlook Center, provides forecasts of key economic indicators for Nevada, Arizona, California, Colorado, New Mexico, Texas, and Utah.

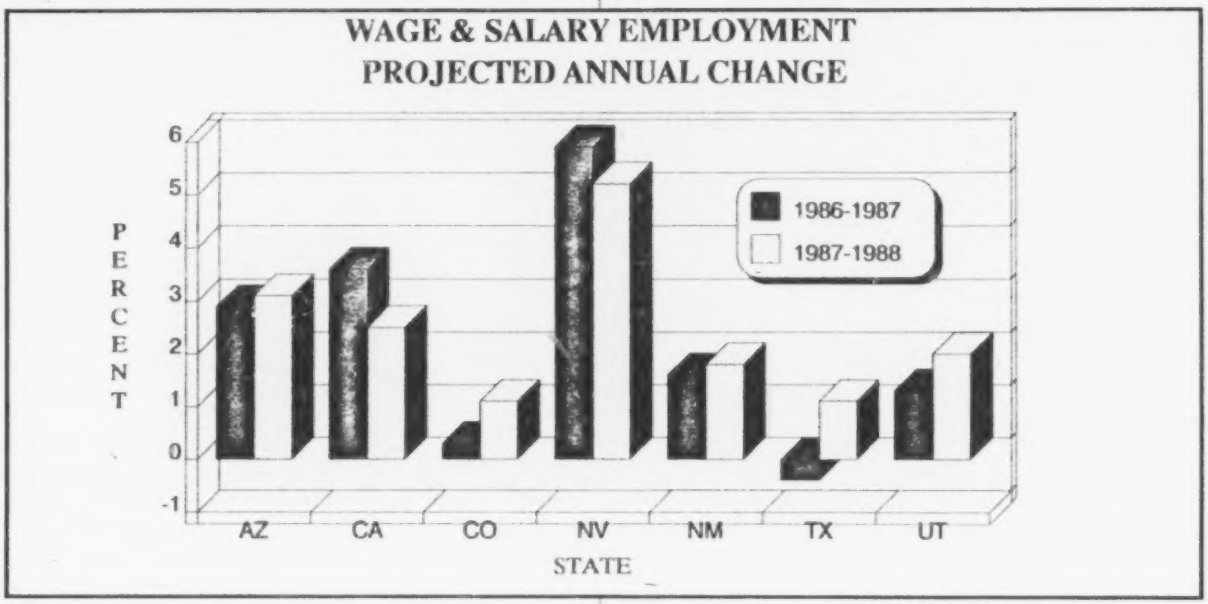
Forecasts in the publication are based on a survey of "blue chip panel members", made up of 50 business people from all seven states. Forecasts from each source are published, as well as a consensus or "average" forecast for each state. Blue chip members representing Nevada include State Government, the University of Nevada System, and several utility and banking companies.

Each month, panel members provide forecasts for annual percentage changes in several economic indicators, including wage and salary employment, population growth, and personal income. Projections available for Nevada include gross gaming revenues, wage and salary employment, personal income, population growth, and housing permits.

The December issue of the Blue Chip Forecast reports that Nevada has experienced the fastest growing wage and salary employment in the seven state region. Based on the consensus forecast, Nevada employment growth will average 5.9 percent in 1987, although actual job growth is outpacing the consensus rate. The State's 1988 job growth is expected to be approximately 5.2 percent, again the highest in the blue chip region. Arizona is projected to experience the next fastest employment growth at 3.1 percent. The remaining five states have forecasted wage and salary employment growth of less than 3 percent in 1988 (see graph).

Nevada's consensus forecast for 1988 personal income and population growth also lead the blue chip region. The State's personal income is predicted to increase by 8.7 percent, followed by forecasted increases of 7.2 percent in California and Arizona. Nevada population is expected to increase by 3.5 percent in 1988, with Arizona second at 3.0 percent. Although these forecasts may be revised each month to reflect the most current information available, Nevada's growth should continue to lead the other states in several economic indicators.

Additional information about The Western Blue Chip Economic Forecast may be obtained from: Economic Outlook Center, College of Business, Arizona State University, Tempe, AZ 85287; or 602-965-5543.



NEVADA GOLD MINING DEVELOPMENTS
by Mike Clarke, Labor Economist

Mining is an integral part of the Nevada economy - and a growing part. The value of Nevada mineral production rose from slightly over $690 million in 1985 to almost $940 million in 1986, showing how rapidly the industry is growing. And preliminary estimates indicate that 1987 will dwarf 1986.

Mining is basically defined as the extraction and mill site processing of solids, liquids, and gases from the earth. Among the many things that have been or are being mined in Nevada are metals (copper, lead, silver, gold), industrial minerals (gypsum, barite, magnesite, diatomite, sand and gravel), and liquid products (petroleum, mercury, geothermal wells).

Nevada was the leading U.S. producer of five minerals and the second leading producer of at least three others in 1986. However, for a number of reasons - the primary one being declining prices due to foreign competition - production of most minerals in Nevada is much less than in earlier years. Gold is the major exception.

Gold is now the mineral of central interest in Nevada. There are many reasons for this, the most important of which is that Nevada has large quantities of proven gold reserves. And now that gold prices have risen more than 50 percent in less than 18 months (to over $450 an ounce), those proven reserves are stimulating still more exploration. Another reason for the interest in gold is that mining techniques now permit recovery of the microscopic deposits of

"disseminated" gold. In some cases, up to 30 tons of rock are processed to recover one ounce of gold - and it can be done economically. Since the maximum cost of gold recovery in the open pit mines is less than $250 an ounce (and in some cases less than $150 an ounce), while the cost of recovery is about $325 an ounce, gold prices can drop drastically and the mines will still show a profit.

Gold production in the United States more than tripled between 1980 and 1986, and the U.S. became the third largest gold producing nation in the world. In spite of that increase, the U.S. still produced less than 5.5 percent of the world's gold supply in 1986. For that reason, it seems unlikely that the massive gold mining expansion in the U.S. will significantly affect the world market (one mine in South Africa produces approximately as much gold as is produced in the entire U.S.). That is important to Nevada because *Nevada now produces over 50 percent of the gold mined in the U.S., now has the largest producing gold mine in the U.S., and now has at least 12 of the 25 largest gold mines in the U.S.*

1987 Changes

An example of how frenzied the gold mining scene has become in Nevada is the fact that in the first seven months of 1987, over 7,000 new claims were staked in Humboldt County alone. In 1986, twice as many claims were staked in Nevada as in any other state. And most of the claims are being staked by corporate entities, not individuals interested in weekend digging.

Gold is now mined in every county in Nevada except Carson City. More than 10 substantial new mines were opened in 1986 and 1987, and still others are under construction.

The growth has been distributed over a large geographic area, but it manifests itself most in the small towns. Austin has grown from 450 to

Table 1. 1986 Mining Labor Force Distribution in Nevada

County	Wage & Salary Employment	Mining Employment	Percent Mining	Mining Job Rank
Carson City	18,220	40	0.2	16
Churchill	4,420	30	0.7	13
Clark	262,500	300	0.1	9
Douglas	17,040	50	0.3	15
Elko	10,650	740	6.9	3
Esmeralda	400	210	52.5	10
Eureka	990	780	78.8	2
Humboldt	3,690	460	12.5	7
Lander	1,580	730	46.2	4
Lincoln	1,,660	20	1.2	17
Lyon	3,690	100	2.7	12
Mineral	2,360	330	14.0	8
Nye	9,880	990	10.0	1
Pershing	1,100	200	18.2	11
Storey	550	70	12.7	13
Washoe	126,400	700	0.6	5
White Pine	2,890	510	17.6	6
NEVADA	468,600	6,300	1.3	--

Source: Nevada Employment Security Research.

about 700 in two years, Battle Mountain from 3,500 to 4,500 in less than one, and Round Mountain from 400 to approximately 1,300 in less than four. Larger towns such as Elko, estimated to be growing at a rate of between 15 to 30 percent annually, have been equally impacted. This growth pattern seems likely through at least 1988.

The mining growth is affecting the communities in which that growth is occurring. Job gains benefit local businesses in the form of increased consumer sales, while governments receive additional tax revenues. However, the growth can cause problems, and in an effort to minimize any possible negative impact upon the communities, some of the major mining companies are building housing for their employees, contributing sizable amounts of money to local school systems, and financing utility expansion.

Quick and effective response by local and State planning entities must continue if possible crises are to be avoided because no end to the growth is foreseen. For instance, mining employment expansions reported in local newspapers include: over 500 more at Newmont by 1990; about 200 more at American Barrick in 1989; about 50 more by Freeport-McMoRan in 1989; 50 to 60 more by spring of 1989 by Silver King; and over 100 more at the different mines owned by Echo Bay Mining. This list is by no means all-inclusive, and several companies have announced plans to open new mines in 1988 and 1989.

Outlook

Mining employment has experienced occasional setbacks, but because mining employees are among the highest paid workers in Nevada (average annual wages over $29,000 for 1986), a shortage of jobseekers is not anticipated. If the gold prices can remain above $300 an ounce, those presently employed will stay employed. With the price at the current level, it can be expected that new jobs will continue to be created. The known reserves are expected to last at least 15 years, and some geologists believe that even richer ore lies beneath that presently being mined. In fact, American Barrick, in cooperation with Newmont Mining, is embarking on an underground venture in Elko County that could reach a depth of at least 2,300 feet. Given that, the only possible problem for the Nevada gold mining industry for the next several years would seem to be the possibility of large new foreign discoveries that could drive the current high prices down. There are no signs of such an occurrence yet, and large numbers of qualified miners from across the country are expected to continue to relocate in Nevada, seeking employment resulting from Nevada's latest mineral boom.

Too many international variables exist, however, in all mineral markets to predict beyond the very near term. And indications for the very near term are that only gold will do well, but it should do well enough to carry the rest of the Nevada mineral industry.

NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1987			1986		
	OCT	NOV	DEC[P]	OCT	NOV	DEC
CIVILIAN LABOR FORCE	564.2	567.9	574.2	549.3	550.8	552.4
UNEMPLOYMENT	32.7	34.7	38.4	28.6	30.1	33.0
UNEMPLOYMENT RATE	5.8%	6.1%	6.7%	5.2%	5.5%	6.0%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.2%	6.3%	6.3%	5.5%	5.6%	5.7%
TOTAL EMPLOYMENT 1/	528.3	530.0	535.8	520.7	520.7	519.4
NONAGRICULTURAL EMPLOYMENT	522.1	525.1	531.3	514.5	515.8	514.9
AGRICULTURAL EMPLOYMENT	6.2	4.9	4.5	6.2	4.9	4.5
PERSONS INVOLVED IN WORK STOPPAGES	3.2	3.2	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

****

ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1987			1986		
	OCT	NOV	DEC[P]	OCT	NOV	DEC
TOTAL NONAGRICULTURAL	509.1	511.2	512.6	480.5	481.0	481.4
MINING	7.4	7.5	7.6	6.5	6.5	6.6
METAL MINING	6.2	6.3	6.4	5.2	5.3	5.3
CONSTRUCTION	32.7	32.2	31.8	29.0	28.3	27.8
MANUFACTURING	23.9	24.0	24.0	22.6	22.5	22.7
DURABLE GOODS	14.9	14.9	14.9	14.2	14.1	14.2
STONE, CLAY, & GLASS PRODUCTS	1.5	1.5	1.5	1.5	1.5	1.5
PRIMARY METAL INDUSTRIES	1.0	1.0	1.0	1.0	1.0	1.0
NON-DURABLE GOODS	9.0	9.1	9.1	8.4	8.4	8.5
FOOD PRODUCTS	1.6	1.6	1.6	1.5	1.5	1.5
PRINTING & PUBLISHING	4.2	4.2	4.2	4.0	4.0	4.0
CHEMICALS	0.8	0.8	0.8	0.8	0.8	0.8
TRANSPORTATION & PUBLIC UTILITIES	27.9	28.1	28.0	27.1	27.2	27.3
TRANSPORTATION	16.4	16.6	16.6	15.7	15.8	16.0
RAILROAD	1.3	1.3	1.3	1.3	1.3	1.3
TRUCKING & WAREHOUSE	4.7	4.8	4.9	4.3	4.4	4.6
AIR	4.1	4.1	4.1	4.0	4.1	4.0
PUBLIC UTILITIES	11.5	11.5	11.4	11.4	11.4	11.3
TOTAL TRADE	102.5	104.0	105.6	97.1	98.4	99.5
WHOLESALE	18.0	18.0	18.1	17.1	17.1	17.1
RETAIL	84.5	86.0	87.5	80.0	81.3	82.4
GENERAL MERCHANDISE & APPAREL	15.6	16.9	17.8	14.6	15.7	16.3
FOOD STORES	11.9	12.0	12.0	11.6	11.6	11.6
AUTO DEALERS & SERVICE STATIONS	11.1	11.0	10.9	10.3	10.3	10.2
EATING & DRINKING PLACES	28.2	28.3	28.5	26.6	26.7	26.9
FINANCE, INSURANCE & REAL ESTATE	24.5	24.5	24.6	23.1	23.2	23.3
FINANCE	11.0	11.1	11.1	10.4	10.4	10.5
SERVICE INDUSTRIES	223.7	224.4	224.2	211.3	211.2	210.2
HOTELS, GAMING & RECREATION	142.9	142.3	140.0	132.1	131.3	130.1
PERSONAL	5.9	5.9	5.9	5.8	5.8	5.8
BUSINESS	24.7	25.7	27.9	25.7	26.2	26.3
MEDICAL & HEALTH	21.2	21.5	21.4	20.4	20.5	20.5
GOVERNMENT	66.5	66.5	66.8	63.8	63.7	64.0
FEDERAL	11.4	11.3	11.3	10.8	10.8	10.9
STATE & LOCAL	55.1	55.2	55.5	53.0	52.9	53.1
EDUCATION - STATE & LOCAL	25.7	26.0	26.2	24.8	24.8	25.1

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1987			1986		
	OCT	NOV	DEC P	OCT	NOV	DEC
CIVILIAN LABOR FORCE	329.2	332.0	335.8	315.8	317.9	320.3
UNEMPLOYMENT	20.6	21.1	22.7	17.5	18.0	19.6
UNEMPLOYMENT RATE	6.2%	6.4%	6.8%	5.5%	5.6%	6.1%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.4%	6.4%	6.4%	5.6%	5.7%	5.8%
TOTAL EMPLOYMENT 1/	308.5	310.8	313.1	298.3	299.9	300.7
NONAGRICULTURAL EMPLOYMENT	307.0	309.6	312.0	296.8	298.7	299.6
AGRICULTURAL EMPLOYMENT	1.5	1.2	1.1	1.5	1.2	1.1
PERSONS INVOLVED IN WORK STOPPAGES	0.1	0.1	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

****

ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1987			1986		
	OCT	NOV	DEC P	OCT	NOV	DEC
TOTAL NONAGRICULTURAL	292.1	293.9	293.8	268.8	270.5	271.7
MINING	0.3	0.3	0.2	0.3	0.3	0.3
CONSTRUCTION	19.3	19.0	19.2	17.0	16.8	16.6
MANUFACTURING	8.8	8.8	8.9	8.2	8.2	8.3
DURABLE GOODS	4.5	4.5	4.5	4.1	4.1	4.2
STONE, CLAY, & GLASS PRODUCTS	0.8	0.8	0.8	0.7	0.7	0.8
NON-DURABLE GOODS	4.3	4.3	4.4	4.1	4.1	4.1
FOOD PRODUCTS	0.7	0.8	0.8	0.7	0.7	0.7
PRINTING & PUBLISHING	2.1	2.2	2.2	2.0	2.0	2.0
CHEMICALS	0.6	0.6	0.6	0.6	0.6	0.6
TRANSPORTATION & PUBLIC UTILITIES	16.0	16.1	16.0	15.3	15.5	15.5
TRANSPORTATION	9.8	9.9	9.9	9.3	9.5	9.6
RAILROAD	0.4	0.4	0.4	0.4	0.4	0.4
AIR	3.0	3.0	3.0	3.0	3.0	3.1
PUBLIC UTILITIES	6.2	6.2	6.1	6.0	6.0	5.9
TOTAL TRADE	59.4	60.2	61.4	55.9	56.8	57.6
WHOLESALE	9.9	9.9	9.9	9.3	9.3	9.3
RETAIL	49.5	50.3	51.5	46.6	47.5	48.3
GENERAL MERCHANDISE & APPAREL	8.6	9.1	9.6	8.1	8.7	9.0
EATING & DRINKING PLACES	17.4	17.7	18.0	16.5	16.8	17.1
FINANCE, INSURANCE & REAL ESTATE	14.7	14.8	14.9	13.8	13.8	13.9
FINANCE	6.7	6.8	6.9	6.2	6.2	6.3
SERVICE INDUSTRIES	139.6	140.8	139.0	125.9	126.8	127.2
HOTELS, GAMING & RECREATION	92.7	92.9	91.8	83.0	83.2	83.5
PERSONAL	3.8	3.8	3.8	3.7	3.7	3.7
BUSINESS	15.0	15.7	15.1	13.1	13.6	13.6
GOVERNMENT	34.0	33.9	34.1	32.4	32.3	32.3
FEDERAL	6.4	6.4	6.5	5.9	6.0	6.1
STATE & LOCAL	27.6	27.5	27.6	26.5	26.3	26.2
EDUCATION - STATE & LOCAL	13.4	13.5	13.6	12.9	12.7	12.7

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1987			1986		
	OCT	NOV	DEC P	OCT	NOV	DEC
CIVILIAN LABOR FORCE	138.1	139.0	140.6	138.8	139.0	139.3
UNEMPLOYMENT	6.8	7.7	9.0	6.2	6.6	7.6
UNEMPLOYMENT RATE	4.9%	5.5%	6.4%	4.4%	4.8%	5.4%
UNEMP. RATE (SEASONALLY ADJUSTED)	5.5%	5.7%	5.9%	5.0%	4.9%	5.1%
TOTAL EMPLOYMENT 1/	131.3	131.3	131.6	132.6	132.4	131.7
NONAGRICULTURAL EMPLOYMENT	130.5	130.7	131.0	131.8	131.8	131.1
AGRICULTURAL EMPLOYMENT	0.8	0.6	0.6	0.8	0.6	0.6
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

****

ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1987			1986		
	OCT	NOV	DEC P	OCT	NOV	DEC
TOTAL NONAGRICULTURAL	134.8	134.8	134.2	130.0	129.5	129.2
MINING	0.8	0.8	0.8	0.8	0.7	0.7
CONSTRUCTION	8.3	8.1	7.8	7.5	7.3	7.1
MANUFACTURING	8.4	8.4	8.4	8.5	8.3	8.4
DURABLE GOODS	5.5	5.5	5.5	5.6	5.5	5.6
NON-DURABLE GOODS	2.9	2.9	2.9	2.9	2.8	2.8
TRANSPORTATION & PUBLIC UTILITIES	9.0	9.0	9.1	8.8	8.8	8.9
TRANSPORTATION	4.9	4.9	5.0	4.7	4.7	4.8
RAILROAD	0.4	0.4	0.4	0.4	0.4	0.4
TRANSPORTATION EXCL. RAILROAD	4.5	4.5	4.6	4.3	4.3	4.4
PUBLIC UTILITIES	4.1	4.1	4.1	4.1	4.1	4.1
TOTAL TRADE	30.4	31.1	31.5	29.4	29.8	30.0
WHOLESALE	6.6	6.7	6.7	6.5	6.5	6.5
RETAIL	23.8	24.4	24.8	22.9	23.3	23.5
GENERAL MERCHANDISE & APPAREL	5.8	6.4	6.7	5.3	5.7	5.9
EATING & DRINKING PLACES	6.8	6.7	6.8	6.4	6.4	6.4
FINANCE, INSURANCE & REAL ESTATE	7.2	7.2	7.2	6.9	6.9	6.9
SERVICE INDUSTRIES	54.0	53.4	52.5	52.1	51.6	50.8
HOTELS, GAMING & RECREATION	31.3	30.7	29.9	30.0	29.5	28.7
PERSONAL	1.4	1.4	1.3	1.3	1.4	1.4
GOVERNMENT	16.7	16.8	16.9	16.0	16.1	16.4
FEDERAL	3.0	3.0	3.0	2.8	2.8	2.8
STATE & LOCAL	13.7	13.8	13.9	13.2	13.3	13.6
EDUCATION - STATE & LOCAL	7.8	7.9	7.9	7.6	7.7	8.0

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	OCT 1987	NOV 1987	DEC P 1987	OCT 1987	NOV 1987	DEC P 1987	OCT 1987	NOV 1987	DEC P 1987
MINING	$627.73	$642.70	$637.07	42.5	43.9	42.9	$14.77	$14.64	$14.85
CONSTRUCTION	592.85	566.65	592.55	36.8	35.0	36.6	16.11	16.19	16.19
MANUFACTURING	398.78	398.69	391.79	40.2	40.6	40.6	9.92	9.82	9.65
DURABLE GOODS	421.87	417.83	405.04	41.4	41.7	41.5	10.19	10.02	9.76
STONE, CLAY & GLASS	531.62	534.23	541.76	40.8	41.0	40.4	13.03	13.03	13.41
PRIMARY METALS	749.48	632.94	632.94	43.6	41.1	41.1	17.19	15.40	15.40
NONDURABLE GOODS	356.82	363.61	367.22	38.0	38.6	38.9	9.39	9.42	9.44
PRINTING & PUBLISHING	370.02	368.39	383.76	37.3	37.4	39.0	9.92	9.85	9.84
PUBLIC UTILITIES	572.32	600.17	553.40	39.8	40.8	39.5	14.38	14.71	14.01
TRADE	303.90	297.36	296.29	34.3	33.6	33.9	8.86	8.85	8.74

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	OCT 1987	NOV 1987	DEC P 1987	OCT 1987	NOV 1987	DEC P 1987	OCT 1987	NOV 1987	DEC P 1987
CONSTRUCTION	$604.79	$575.67	$613.36	36.9	34.7	37.4	$16.39	$16.59	$16.40
MANUFACTURING	505.60	484.76	493.20	39.5	39.8	40.0	12.80	12.18	12.33
DURABLE GOODS	577.60	542.24	550.74	40.0	39.9	40.2	14.44	13.59	13.70
NONDURABLE GOODS	399.38	403.97	411.13	38.7	39.8	39.8	10.32	10.15	10.33
TRANSPORT. & UTILITIES	480.76	511.29	456.74	40.4	41.4	40.1	11.90	12.35	11.39
WHOLESALE TRADE	400.00	407.81	409.04	37.7	38.4	38.3	10.61	10.62	10.68
RETAIL TRADE	236.98	236.85	232.26	31.1	30.8	30.4	7.62	7.69	7.64

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
500 E. THIRD STREET
CARSON CITY, NEVADA 89713-0001

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Nevada Employment Security Department

economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

ECONOMIC UPDATE
Unemployment Rate
(SeasonallyAdjusted)

		JAN	FEB	MAR
Nevada	1988	6.4%	5.9%	5.8%
	1987	6.5	6.4	6.6
Las Vegas	1988	6.5	6.3	6.3
	1987	6.6	6.5	6.9
Reno	1988	5.8	5.3	5.2
	1987	5.8	5.8	6.0
U.S	1988	5.8	5.7	5.6
	1987	6.7	6.6	6.5

Consumer Price Index*
All Urban Consumers
*(1982 - 84 = 100)

	JAN	FEB	MAR
1988	115.7	116.0	116.5
1987	111.2	111.6	112.1

Gross Gaming Revenues
(In Thousands)

	4th Qtr. 1987	4th Qtr. 1986
Nevada	$949,671	$ 856,967
Las Vegas	675,041	602,099
Reno	168,874	157,602

Taxable Sales
(In Thousands)

	4th Qtr. 1987	4th Qtr. 1986
Nevada	$2,763,536	$2,503,528
Las Vegas	1,547,287	1,420,792
Reno	606,618	598,440

NEVADA ECONOMY
1st Quarter 1988

The Nevada economy continued to show improvement throughout the first quarter of 1988. In January, the seasonally adjusted unemployment rate was 6.4 percent before falling to 5.9 percent in February and ending the quarter at 5.8 percent. The March jobless rate was eight-tenths of a percentage point lower than one year ago. Nevada's unemployment rate finished the quarter just two-tenths higher than the national rate. The U.S. jobless rate measure started the new year at 5.8 percent, dropped to 5.7 percent in February, then ended the period at 5.6 percent. California's jobless rate was unsteady during the first part of the year as it opened the quarter at 5.1 percent, increased to 5.4 percent in February before moving down to 5.0 percent in March.

Nevada began the new year on a positive note as the state led the nation with a rapid over-the-year industrial employment growth of 7.4 percent. This gain accounted for an increase of 34,900 jobs since January 1987. February and March also reported over-the-year employment increases of 6.9 and 6.6 percent , respectively. At the end of the first quarter of 1988, 31,700 more positions existed in the Silver State than in March 1987. Leading all other industries in employment growth was the service industries which created 13,800 jobs over-the-year. Accounting for 8,500 of these new positions was the hotels, gaming, and recreation (HGR) sector. The trade industry also showed strong growth with an over-the-year increase of 6,400 new positions of which 4,900 occurred in the retail sector. Government (+3,000), mining (+2,500), and construction (+2,400) also recorded healthy

gains. The mining industry in the Balance of State (BOS) economy remains vibrant as "gold fever" is still present in several of the rural counties. Finance, insurance, and real estate (FIRE) ended the quarter with a healthy increase of 1500 jobs over-the-year, while transportation, communications, and public utilities (TCPU) added another 900 positions to the economy.

The national economy performed well in the first quarter of 1988. Establishment-based industrial employment rose by 779,000 jobs during the first three months of the new year. The largest gains occurred in the service-producing sector as employment in this industry averaged 806,000 higher in the first quarter of 1988 than in the final quarter of 1987. On the goods-producing side, employment averaged 160,000 higher than last quarter where construction posted strong gains in February and March. Statistics for jobless Americans were also favorable. Compared with a year ago, the level of unemployment for the nation has fallen by a million according to the Bureau of Labor Statistics. The number of unemployed persons registered 6.8 million in March. The March jobless rate of 5.6 percent is the lowest for the national economy since May 1979.

In the following months, Nevada's economy is expected to continue with solid job growth. Unemployment levels should remain about the same or possibly dropping slightly. These and other economic indicators point to continued economic prosperity for the Silver State.

LAS VEGAS

The vitality of the Las Vegas economy during the first quarter of 1988 was again reflected by the strength of the area's labor market statistics. Labor force growth was strong, while unemployment remained relatively low mirroring vigorous construction activity and gains in related business activity.

For the first quarter of 1988, unemployment averaged 6.4 percent, slightly greater than the 6.1 percent registered in the fourth quarter of 1987. Joblessness, however was less than the 6.7 percent during the first quarter a year ago. Unemployment for the last three months was 6.5 percent in January, 6.3 percent in February and 6.3 percent in March. The number of unemployed during the period averaged 21,900. The labor force averaged 331,000 people, an increase of just over 5 percent when compared to the first quarter 1987.

The number of jobs reflected by establishment-based industrial employment continued to expand at a vigorous pace. There were more than 22,000 new jobs in the Las Vegas area during the first quarter of 1988 when compared to the same period last year. This is a 7.4 percent increase in the level of employment, one of the strongest gains in the nation. Employment totaled 291,700 in January, 292,300 in February, and 295,000 in March, for a quarterly average of 293,000.

For the most part, strong employment increases were evident in the same industries which had earlier posted impressive gains. Those that exhibited a faster than average employment growth during the early months of 1988 were construction, FIRE and services, particularly personal and business services. In addition, government, which had showed relatively constrained growth during the past several quarters, joined this group, specifically with improved job growth in the educational sector. Future increases in education employment should be fairly substantial given the recent bond approval to build several new schools.

Other local economic indicators continue to reinforce the spirited gains being experienced by the Las Vegas economy. Tourist numbers remain strong and should again reach record highs in 1988. Gaming revenues and taxable sales are increasing at a strong rate, much faster than other areas in the State. Commercial and residential construction is moving at a very robust pace and should do so during the rest of the year. The outlook for the next few months suggests continued optimism. Job gains are expected to be strong and unemployment should maintain its current range.

RENO

Economic conditions in the Reno Metropolitan Statistical Area during the first quarter of 1988 were considerably improved over the year ago period. Joblessness in the area has been favorable, employment continues its upward trend, and gaming revenues and taxable sales receipts have grown. A number of construction projects are in various stages of completion, and others are to begin shortly throughout the Truckee Meadows.

The area's rate of unemployment averaged 5.4 percent during the last three months, well below the 5.9 percent of a year ago. This year's seasonally adjusted rate began at 5.8 percent in January, declining to 5.3 percent during February, and dropping lower to 5.2 percent in March. This translates to approximately 9,700 unemployed. A small portion of this total reflects the closure of several businesses and a few firms that have laid off personnel. Nevertheless, the area's rate of joblessness is quite favorable when compared to national or State levels.

Job growth in the Truckee Meadows during the first quarter has shown substantial gains over last year. Establishment based industrial employment averaged 133,400 for the period, 7,200 higher than a year ago. All industries shared in the growth except manufacturing and FIRE which decreased by 200 each. Manufacturing was impacted by the closure of a large establishment, while FIRE job reductions were the result of a merger between several large banking institutions. Some positions were subsequently consolidated and layoffs resulted.

Employment in services and HGR were up significantly during the quarter, 4,600 and 2,700 respectively. Increased hiring was evident at several gaming establishments. Legal, medical and health professionals also added to their payrolls as did employers in business services. Ranked by order of magnitude, these increases were followed by job gains of more than 2,100 in wholesale and retail trade. Government, construction, mining, and TCPU job levels also increased.

Gross gaming revenues for the fourth quarter of 1987 were up 7.2 percent over the year ago period. This is the fifth consecutive period in which the area exhibited year over year percentage gains. Increases in taxable sales receipts were much lower, rising by only 1.4 percent. This followed a weak 1.2 percent gain during the previous quarter. However, on an annual basis, establishments during 1987 sold $2.3 billion in merchandise, up 4.4 percent over 1986. While the number of construction jobs are above last year's level, future activity may be dampened somewhat. Permits for construction of new residential and multiple family units during the first two months of 1988 were somewhat weaker, off by about one-third the 1986 pace. The current drought condition is undoubtedly an influential factor.

Air traffic passenger counts and occupancy levels at hotels/motels in Reno/Sparks were also below year ago volumes. Some improvement should be in the offing however, as the 96-day Women's International Bowling Conference is scheduled to begin in early April with approximately 75,000 participants.

The jobless rate next month will be influenced by two factors. A major printing business closed in early April and a new hotel/casino employing about 325 workers will open. The number of new gaming jobs will more than offset the printing losses. Further job growth, influenced by an early spring and an earlier start-up in tourism, should result in quite favorable rates of unemployment in April and for the next several months.

BALANCE OF STATE

Economic growth in the balance of state (BOS) counties began 1988 on the same upward trend with which it had ended 1987. Industrial growth was still led by mining, but manufacturing, construction, service, and trade also made strong contributions. The total establishment based industrial employment grew by 5,100 between March 1987 and March 1988. Of that 5,100, mining contributed 2,300, manufacturing 900, construction 600, service 500, and trade 400.

None of the basic industrial groups declined, and only TCPU was unchanged.

The average seasonally adjusted unemployment rates were lower in 13 of the BOS counties for the first quarter of 1988 when compared to the same year ago period, and marginally higher in the remaining two. The overall decline of the unemployment rates occurred in spite of a quarterly average labor force growth in the BOS counties of 8.1 percent.

The quarterly average unemployment rate in Carson City declined from 6.5 percent in the fourth quarter of 1987 to 6.2 percent. The rate is expected to continue to drop, but only marginally. The job market growth, however, is expected to be strong based on existing construction projects and industries which have expressed intentions to expand.

The average jobless rate for Douglas County dropped during the first three months compared to the fourth quarter of 1987. The rate remained low, 5.4 percent - as did the rate of growth for the labor force. It increased by less than 1.5 percent over the year. The job market is expected to grow in the Gardnerville-Minden area through the summer, but at the same time many uncertainties exist at Lake Tahoe because of the current drought conditions.

Elko County continues to grow, and the average unemployment rate of 5.6 percent is a full point lower than it was in the first quarter of 1987. The job market is expected to grow through the summer at least as rapidly as it did in 1987, but the unemployment rate may plateau as new housing in the county permits a resurgence of in-migration.

With the possible exceptions of Storey and Lincoln Counties, the BOS counties seem set to continue to grow. The two counties excepted seem likely to remain at status quo at least for the next three to six months.

BALANCE OF STATE
UNEMPLOYMENT RATES BY COUNTY
(SEASONALLY ADJUSTED)

	1988			1987		
COUNTY	JAN	FEB	MAR	JAN	FEB	MAR
CARSON CITY	7.4%	5.9%	5.4%	6.7%	6.3%	6.5%
CHURCHILL	8.7	7.7	6.7	8.9	8.9	8.4
DOUGLAS	6.2	5.4	4.6	6.4	6.3	6.2
ELKO	5.8	5.9	5.1	6.5	6.4	7.0
ESMERALDA	6.1	6.4	6.2	7.2	7.5	7.4
EUREKA	3.3	2.6	2.6	3.1	2.9	2.7
HUMBOLDT	5.4	5.0	5.2	7.4	7.3	6.5
LANDER	5.9	5.5	6.2	7.4	6.9	6.3
LINCOLN	5.7	5.3	4.9	6.2	5.5	5.4
LYON	7.7	6.1	5.7	7.1	7.6	7.7
MINERAL	5.8	5.0	5.1	6.0	6.5	6.9
NYE	5.7	4.9	5.3	5.7	5.1	5.6
PERSHING	4.3	3.4	3.9	3.3	3.9	3.6
STOREY	7.1	7.2	7.9	7.0	7.7	6.4
WHITE PINE	10.8	9.4	7.8	11.3	11.0	10.6

NEVADA ECONOMIC DATABASE SYSTEM (NEDS)

The Research Section of the Nevada Employment Security Department has installed a dial up computer database containing state and national labor market information. From individual offices anywhere in the country, company representatives can now electronically access the very latest in a wide variety of information. This system is specifically designed for Nevada businesses in need of quick and current labor market information. Examples of available information include:

- Labor force and demographic information by county.
- Industrial employment by county.
- Occupational wage data.
- Selected national economic indicators.
- Monthly and quarterly economic analyses for major areas.
- Key release dates and information on publications.
- General Employment Security Department announcements.

Equipped with a personal computer and a modem (a device for communicating over telephone lines), company representatives can receive data necessary for informed business decisions. The system has built in flexibility and does not require programming or software expertise.

A message component provides users with the capability of directly communicating with research staff to request publications, add additional information, or receive specific labor market information.

Other than charges for long distance telephone calls, there will be no fees for using this service.

For additional information contact:

Nevada Employment Security Department
Research Section
500 E. Third Street
Carson City, Nevada 89713
Telephone (702) 885-4550
Attn: Zina Turney or Kim Harris

TECHNOLOGY, JOBS AND HUMAN RESOURCES PLANNING

by
Gary Lungstrum, Labor Economist

This topic was addressed by Dr. Patricia Flynn, Professor of Economics, Bently College, Waltham, Massachusetts before a Department of Labor conference in Tucson, Arizona in November, 1987. Her remarks are derived from Patricia M. Flynn, Facilitating Technological Change, The Human Resource Challenge (Cambridge, MA: Ballinger Publishing Company, 1988).

The basic premise of her book, including the following excerpts from her presentation, is that the effects of technological change on skills and training, while complex, are neither random nor inconsistent. Common trends and patterns are evident over time with respect to the impacts of technological changes at the work place. This assessment was made following over 200 case studies of individual firms. Additionally, the results were found to be consistent with the dynamic life cycle models of products and technologies.

The technology life cycle consists of several segments. Basically, technologies are introduced slowly; more widely adopted as intensive research and development efforts lead to improved performance; eventually reach a peak; and are often replaced by a new superior technology.

Impact of Technology Life Cycle

The technology life cycle has implications for human resources, having a potential impact on tasks, skills, training, and job hierarchies.

- Tasks

A new technology involves very complex tasks. Highly skilled engineers and scientists do many tasks that later on will be done by technical workers, sales managers, skilled craft workers, assemblers, etc. A lot of work is done by hand in this early period.

As a technology matures, standardization and the expanded use and complexity of equipment permit a greater diversification of labor and the subdivision of multifaceted tasks into more narrowly defined assignments. Tasks can become "de-skilled" as the workers' skills, experience and independent decision-making become less important.

- Skills

Skills evolve from being "firm-specific" skills to "general" skills over the life of a technology. With newly emerging technologies, the skills that people develop are tailored to the needs of the particular company. In contrast, when the technology is mature, the skills have become more generalized and transferable among firms.

- Training

With a new technology, skill training is usually provided on the job or in programs at the work place. The firm-specific nature of the skills coupled with the lack of appropriately trained workers means that the employer or the equipment manufacturer ends up providing the training.

Again, the scenario changes as the technology matures. As with products, increased demand and standardization of skills permit their "production" on a larger scale and at locations away from the R&D sites. Moreover, as demand for skills grow, it is easier to formalize the training and provide it in the schools. Together these two forces encourage the shift of skill development from the work place to the formal education system as technologies mature.

There is also a shift in the responsibility for providing job-related skills within the formal education system. Labor-market sensitive institutions will respond initially as training shifts from the work place to the schools. As demands for the skills grow, training becomes more widely diffused among education and training institutions.

At the end of technology life cycles, as old technologies give way to new, training focuses on replacement needs and on the retraining of workers for other fields. A limited market for skills and student enrollments may result in the termination of training programs in these fields--shifting the responsibility for training back to the firm.

- Occupations and Job Structures

The unsettled environment caused by the early adoption of a new technology encourages firms to incorporate the newly created tasks into existing jobs rather than add new types of positions to job hierarchies. In contrast, the increased levels of standardization and mass production permitted by the maturation of technologies foster the fragmentation of relatively complex tasks into more routine, less-skilled assignments. Coupled with growing demands for these skills, this increasing division of labor promotes the creation of a more well-defined set of occupations.

Taking this process one step further, the life cycle framework suggests that as technologies mature, a growing proportion of the relatively high-skill tasks created at the firm will be filled by workers from outside the firm. In the early stages of development of a technology, the relative importance of "job enlargement" and a lack of appropriately trained workers favors the selection and retraining of current employees to perform many of the new tasks. At later stages, current workers are more likely to be bypassed as individuals trained outside the firm are hired to fill the better jobs created by the technological change. Moreover, as schools and colleges take over the training responsibilities in these fields, educational credentials become associated with particular skills and occupations. Previously established internal job ladders are jeopardized as formal educational requirements or related work experience become criteria for certain skilled positions.

Policy Implications

To date, the dynamics of production life cycles and of technological change have not figured prominently in human resources policy in the United States. The life cycle framework, in

general, and the skill training life cycle, in particular, suggest a wide range of policy implications for employers, educators and economic planners seeking to facilitate technological change.

The life cycle framework accentuates the need for planning human resource policies for both the "up side" and the "down side" of technological change. Failure to adapt to the newly created skill needs generated by technological change can restrict the productivity of workers and of firms, undermining industrial competitiveness and economic growth. Failure to minimize the negative impacts of such change, as jobs are simplified or eliminated, can further constrain the benefits of technological progress. We need programs to deal with new and emerging skills and occupations; we also need programs that focus on skill obsolescence, plant closings and layoffs.

Standard Industrial Classification System
by
Dan Culbert, Labor Economist

To be able to produce employment estimates by industrial category, it is necessary to have a system for classifying firms based on their major activity. Periodic updates of this classification system are needed to keep up with the changing character of the economic structure. The most commonly accepted categorization is the Standard Industrial Classification (SIC). This is a system that has been used since the 1930's and has gone through many changes.

Employment Security departments throughout the nation are collecting data to enable the latest update to the system. The last major shift was in 1972 and the industrial structure of the nation and Nevada has changed significantly since that time. This latest modification is the byproduct of input received from businesses, trade associations, individuals, and government agencies. The recommended updates take into account technological changes, institutional changes, such as deregulation, and the tremendous expansion of the services sector. Some industries were deleted for lack of economic significance, while others were introduced for the first time - in some cases were not even in existence in 1972. The new industries included creating separate classifications for cable and pay television establishments, radiotelephone communications, computers and software stores, and electronic information retrieval systems. In addition, many computer related activities were spelled out for the first time.

The burden of implementation of the new system for Nevada falls upon the research section. To gather needed information we will be contacting employers throughout the State over the next few months to ascertain the correct business activity of the establishment. Not all firms will be affected by the change. Approximately 4,000 of Nevada's 25,000 employers must give additional data for proper coding. If you are contacted, prompt accurate information would certainly be appreciated. In the ensuing years, additional contacts will be maintained to continually update and verify business activity information for all firms.

Data published from the SIC revision will not be greatly affected. The new classification system does not change radically the summary level information. However, this may be an ideal time to look into the needs of our data users and determine whether our existing published industries should be expanded or contracted. For example, should we continue to publish 'Food Products' and 'Chemicals' while ignoring some of the durable goods sectors even though the latter may be larger than the former. Keeping in mind that we must obtain and maintain an adequate sample in each industry to estimate employment levels and trends, we are asking for feedback on this issue from interested parties. If there are particular industrial breakouts you think we should be publishing, please contact me at (702) 885-4550 or write the research section. We will try and meet our users needs as much as possible.

Data Revisions
by
Dan Culbert, Labor Economist

Each year, data produced by the Employment Security Research Section undergoes a revision. Since several of the series are based on sample driven estimates, this revision is necessary to incorporate more complete information. Three series undergo changes : Establishment-based Industrial Employment, Labor Force, and Hours and Earnings. This year, the hours and earnings required no change.

Establishment-based Industrial Employment

The industrial employment series, also known as the Current Employment Statistics (CES) is based on a voluntary sample of firms throughout the state. These firms report their employment levels monthly and are the main source for determining movements of employment by industry. This sample is augmented by employment data captured on the quarterly contribution report which all firms are required to submit. This required data is not timely to produce current employment estimates and is therefore used as a revision tool to adjust levels and trends.

Adjustments to the CES was relatively minor in 1987. Table 1 shows the annual averages of the major industries both prior and subsequent to revision.

Occasionally the annual average masks some of the underlying trend problems. For example, mining in Nevada shows an upward revision adjustment on the average of 900 jobs. However, the December estimate was revised upwards by 1600 jobs. Early indications are that this level may also be understated. Another industry that grew faster than expected was trade. The largest adjustments were in food stores, although all segments were undercounted. These were compensated for by an overestimate of construction employment. Overall, the estimates were very reliable and gave a clear picture of the job growth in the economy.

Labor Force

Data used to estimate the size of the labor force are subject to many changes, but two items are most important. The first is the CES data described above. This is the major component for defining the number of employed persons - the largest sector of the labor force. Due to the small revision in industrial employment, the effect of the change in this factor on the labor force is negligible.

The second input item that is used in defining the labor force did have a significant effect in the data correction. This is the Current Population Survey (CPS), which is a monthly household sample survey carried on throughout the the nation and is the determinant of the national un-

Table 1

1987 (in thousands)	NEVADA Prior to Revision	NEVADA Revised Data	LAS VEGAS Prior to Revision	LAS VEGAS Revised Data	RENO Prior to Revision	RENO Revised Data
Total All Ind.	499.3	499.0	284.1	283.7	131.7	131.9
Mining	7.0	7.9	.3	.3	.8	.9
Construction	30.7	29.6	18.5	18.4	7.6	7.0
Manufacturing	23.4	23.2	8.6	8.6	8.5	8.3
TCPU	27.6	27.7	15.8	15.6	8.8	9.1
Trade	100.6	101.4	58.3	59.7	29.9	29.5
FIRE	24.1	23.4	14.5	14.2	7.1	6.9
Services	221.8	221.7	135.8	134.6	52.9	54.1
Government	64.1	64.1	32.3	32.3	16.1	16.1

employment rate. Each month some 65,000 households in the nation are surveyed. A portion of these are in Nevada, but being a relatively small state, this sample is not reliable to be used directly on a monthly basis. Therefore when this data is incorporated for a full year there will be a change from the originally published information. The effect of this change is shown in table 2 below.

Table 2

NEVADA

1987 (in thousands)	Prior to Revision	Revised Data
Labor Force	564.2	557.0
Unemployment	33.9	35.0
Unemployment Rate	6.0%	6.3%
Employment	530.3	522.0

LAS VEGAS

	Prior to Revision	Revised Data
Labor Force	328.2	323.7
Unemployment	20.4	21.0
Unemployment Rate	6.2%	6.5%
Employment	307.8	302.7

RENO

	Prior to Revision	Revised Data
Labor Force	139.3	137.8
Unemployment	7.6	7.8
Unemployment Rate	5.5%	5.7%
Employment	131.7	130.0

If you have any questions on the data revisions or requests for copies of historical series, call (702) 885-4550 or write the research section. Those people on the existing mailing list should already have received this data.

Labor Market Success Linked to Educational Levels

The Bureau of Labor Statistics recently released a report linking success in the labor market to education. The data, compiled from the Current Population Survey in March of 1987 indicated that college graduates had a very low rate of unemployment and much higher rates of labor force participation than persons with less education.

College graduates had 88% of their counterparts in the labor force (age 25 to 65 years), compared to high school graduates with a 77 % participation rate and non-graduates at a 61% participation rate. The labor force in general is becoming more educated. One out of every 4 persons in the labor force has a college degree.

Unemployment rates for college graduates were the lowest of the categories at 2.5% in March. Those persons with 1 to 3 years of higher education had a 4.5% unemployment rate, while high school graduates averaged 6.3% unemployment. High school dropouts, on the other hand, experienced an 11.1% unemployment rate for the period.

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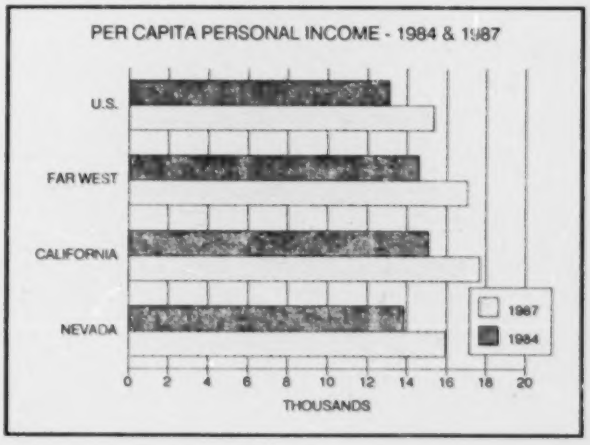
For Your Information



Source: U.S. Department of Commerce, Bureau of Economic Analysis

NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1988			1987		
	JAN	FEB	MAR[P]	JAN	FEB	MAR
CIVILIAN LABOR FORCE	566.7	566.5	567.9	535.3	540.8	544.5
UNEMPLOYMENT	41.0	37.6	35.2	38.8	38.4	37.9
UNEMPLOYMENT RATE	7.2%	6.6%	6.2%	7.2%	7.1%	7.0%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.4%	5.9%	5.8%	6.5%	6.4%	6.6%
TOTAL EMPLOYMENT 1/	525.7	529.0	532.6	496.5	502.4	506.6
NONAGRICULTURAL EMPLOYMENT	520.6	523.4	527.1	492.6	497.6	500.9
AGRICULTURAL EMPLOYMENT	5.0	5.6	5.6	3.9	4.8	5.7
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1988			1987		
	JAN	FEB	MAR[P]	JAN	FEB	MAR
TOTAL NONAGRICULTURAL	508.2	510.2	515.4	472.4	478.1	483.7
MINING	9.0	9.1	9.5	6.6	6.8	7.1
METAL MINING	7.7	7.8	8.1	5.6	5.7	6.0
CONSTRUCTION	29.2	29.2	30.1	26.9	26.9	27.6
MANUFACTURING	23.9	23.9	23.7	22.1	22.2	22.5
DURABLE GOODS	14.3	14.3	14.1	13.9	13.9	14.0
STONE, CLAY, & GLASS PRODUCTS	1.7	1.7	1.7	1.5	1.6	1.5
PRIMARY METAL INDUSTRIES	1.1	1.2	1.2	1.0	1.0	1.0
NON-DURABLE GOODS	9.6	9.6	9.6	8.2	8.3	8.5
FOOD PRODUCTS	1.5	1.5	1.5	1.3	1.3	1.4
PRINTING & PUBLISHING	4.3	4.4	4.4	4.0	4.0	4.0
CHEMICALS	0.8	0.8	0.8	0.7	0.8	0.8
TRANSPORTATION & PUBLIC UTILITIES	27.7	27.6	28.0	26.7	27.0	27.1
TRANSPORTATION	16.0	15.9	16.0	15.5	15.7	15.7
RAILROAD	0.9	0.9	0.9	1.3	1.2	1.1
TRUCKING & WAREHOUSE	4.6	4.6	4.7	4.2	4.4	4.4
AIR	4.1	4.1	4.0	4.0	4.1	4.1
PUBLIC UTILITIES	11.7	11.7	12.0	11.2	11.3	11.3
TOTAL TRADE	103.0	103.0	103.7	95.8	96.3	97.3
WHOLESALE	19.0	19.2	19.4	17.3	17.6	17.9
RETAIL	84.0	83.8	84.3	78.5	78.7	79.4
GENERAL MERCHANDISE & APPAREL	14.9	14.3	14.0	14.1	13.3	13.0
FOOD STORES	12.5	12.7	12.8	11.8	11.9	11.9
AUTO DEALERS & SERVICE STATIONS	11.1	11.0	11.2	10.5	10.5	10.6
EATING & DRINKING PLACES	27.7	27.9	28.4	25.7	26.4	27.0
FINANCE, INSURANCE & REAL ESTATE	23.7	23.8	24.2	22.5	22.6	22.7
FINANCE	11.0	11.0	11.1	10.4	10.4	10.5
SERVICE INDUSTRIES	226.6	226.8	228.7	209.8	212.3	214.9
HOTELS, GAMING & RECREATION	139.2	139.9	141.0	129.6	131.0	132.5
PERSONAL	6.0	6.1	6.1	5.7	5.8	5.9
BUSINESS	30.1	29.2	29.4	26.5	27.0	27.2
MEDICAL & HEALTH	21.7	21.7	21.9	20.7	20.9	21.2
GOVERNMENT	65.1	66.8	67.5	62.0	64.0	64.5
FEDERAL	11.2	11.2	11.3	10.8	10.9	10.9
STATE & LOCAL	53.9	55.6	56.2	51.2	53.1	53.6
EDUCATION - STATE & LOCAL	24.4	25.9	26.4	22.8	24.7	25.0

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1988			1987		
	JAN	FEB	MAR P	JAN	FEB	MAR
CIVILIAN LABOR FORCE	330.6	330.7	331.9	312.7	315.2	317.3
UNEMPLOYMENT	22.8	21.8	21.2	21.7	21.6	21.8
UNEMPLOYMENT RATE	6.9%	6.6%	6.4%	6.9%	6.9%	6.9%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.5%	6.3%	6.3%	6.6%	6.5%	6.9%
TOTAL EMPLOYMENT 1/	307.8	308.9	310.7	291.1	293.5	295.5
NONAGRICULTURAL EMPLOYMENT	306.6	307.5	309.4	290.1	292.4	294.2
AGRICULTURAL EMPLOYMENT	1.2	1.4	1.4	1.0	1.2	1.4
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

****

ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1988			1987		
	JAN	FEB	MAR P	JAN	FEB	MAR
TOTAL NONAGRICULTURAL	291.7	292.3	295.0	269.9	272.6	275.8
MINING	0.3	0.3	0.3	0.3	0.3	0.3
CONSTRUCTION	18.4	18.4	18.8	17.1	17.0	17.4
MANUFACTURING	8.9	8.9	8.8	8.1	8.2	8.3
DURABLE GOODS	4.4	4.4	4.3	4.2	4.2	4.3
STONE, CLAY, & GLASS PRODUCTS	0.8	0.9	0.9	0.7	0.7	0.7
NON-DURABLE GOODS	4.5	4.5	4.5	3.9	4.0	4.0
FOOD PRODUCTS	0.9	0.9	0.9	0.7	0.7	0.7
PRINTING & PUBLISHING	2.1	2.1	2.2	2.0	2.0	2.0
CHEMICALS	0.6	0.6	0.6	0.6	0.6	0.6
TRANSPORTATION & PUBLIC UTILITIES	15.6	15.6	15.8	14.8	15.0	15.2
TRANSPORTATION	9.4	9.4	9.4	9.0	9.1	9.3
RAILROAD	0.3	0.3	0.3	0.4	0.4	0.4
AIR	3.0	2.9	2.8	2.8	2.9	3.0
PUBLIC UTILITIES	6.2	6.2	6.4	5.8	5.9	5.9
TOTAL TRADE	61.1	61.3	61.7	56.5	57.0	57.8
WHOLESALE	10.1	10.3	10.3	9.4	9.5	9.7
RETAIL	51.0	51.0	51.4	47.1	47.5	48.1
GENERAL MERCHANDISE & APPAREL	8.3	8.0	7.8	7.9	7.5	7.4
EATING & DRINKING PLACES	18.0	18.2	18.4	16.4	17.0	17.4
FINANCE, INSURANCE & REAL ESTATE	14.7	14.7	15.0	13.4	13.5	13.6
FINANCE	6.7	6.7	6.8	6.2	6.3	6.3
SERVICE INDUSTRIES	139.3	139.1	139.9	128.4	129.6	130.8
HOTELS, GAMING & RECREATION	90.2	90.6	91.0	84.5	84.9	85.8
PERSONAL	3.9	4.0	4.0	3.6	3.7	3.7
BUSINESS	16.5	15.5	15.6	13.9	14.2	14.2
GOVERNMENT	33.4	34.0	34.7	31.3	32.0	32.4
FEDERAL	6.4	6.4	6.5	5.9	6.0	6.0
STATE & LOCAL	27.0	27.6	28.2	25.4	26.0	26.4
EDUCATION - STATE & LOCAL	12.9	13.5	14.0	11.9	12.5	12.8

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1988			1987		
	JAN	FEB	MAR P	JAN	FEB	MAR
CIVILIAN LABOR FORCE	139.4	139.3	139.3	133.2	135.1	135.2
UNEMPLOYMENT	10.1	8.8	8.0	9.5	9.3	9.0
UNEMPLOYMENT RATE	7.3%	6.3%	5.8%	7.2%	6.9%	6.6%
UNEMP. RATE (SEASONALLY ADJUSTED)	5.8%	5.3%	5.2%	5.8%	5.8%	6.0%
TOTAL EMPLOYMENT 1/	129.2	130.5	131.2	123.7	125.8	126.3
NONAGRICULTURAL EMPLOYMENT	128.6	129.8	130.5	123.2	125.1	125.5
AGRICULTURAL EMPLOYMENT	0.7	0.8	0.7	0.5	0.6	0.8
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

****

ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1988			1987		
	JAN	FEB	MAR P	JAN	FEB	MAR
TOTAL NONAGRICULTURAL	132.6	133.7	134.9	124.5	126.3	127.5
MINING	0.9	0.9	0.9	0.8	0.8	0.8
CONSTRUCTION	6.6	6.7	7.0	6.5	6.4	6.5
MANUFACTURING	8.2	8.1	8.2	8.4	8.4	8.4
DURABLE GOODS	5.1	5.0	5.1	5.6	5.6	5.5
NON-DURABLE GOODS	3.1	3.1	3.1	2.8	2.8	2.9
TRANSPORTATION & PUBLIC UTILITIES	9.2	9.2	9.2	8.8	8.9	8.9
TRANSPORTATION	5.0	5.0	5.0	4.7	4.9	4.8
RAILROAD	0.3	0.3	0.3	0.4	0.4	0.3
TRANSPORTATION EXCL. RAILROAD	4.7	4.7	4.7	4.3	4.5	4.5
PUBLIC UTILITIES	4.2	4.2	4.2	4.1	4.0	4.1
TOTAL TRADE	30.0	30.0	30.2	28.0	27.9	28.1
WHOLESALE	7.4	7.4	7.6	6.6	6.7	6.9
RETAIL	22.6	22.6	22.6	21.4	21.2	21.2
GENERAL MERCHANDISE & APPAREL	5.5	5.4	5.3	5.1	4.8	4.7
EATING & DRINKING PLACES	6.3	6.3	6.4	6.0	6.1	6.2
FINANCE, INSURANCE & REAL ESTATE	6.7	6.7	6.8	6.9	6.9	6.9
SERVICE INDUSTRIES	54.7	55.1	55.7	49.7	50.6	51.5
HOTELS, GAMING & RECREATION	30.7	30.9	31.3	27.6	28.4	28.8
PERSONAL	1.4	1.4	1.4	1.4	1.4	1.4
GOVERNMENT	16.3	17.0	16.9	15.4	16.4	16.4
FEDERAL	3.0	3.0	3.0	2.8	2.8	2.9
STATE & LOCAL	13.3	14.0	13.9	12.6	13.6	13.5
EDUCATION - STATE & LOCAL	7.2	7.8	7.8	6.9	7.7	7.7

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.
P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JAN 1988	FEB 1988	MAR P 1988	JAN 1988	FEB 1988	MAR P 1988	JAN 1988	FEB 1988	MAR P 1988
MINING	$636.41	$649.00	$647.24	43.5	44.3	44.0	$14.63	$14.65	$14.71
CONSTRUCTION	582.04	544.55	585.83	36.4	34.4	36.5	15.99	15.83	16.05
MANUFACTURING	388.08	394.42	399.38	39.6	39.8	39.7	9.80	9.91	10.06
DURABLE GOODS	406.48	408.18	410.25	41.1	40.9	40.3	9.89	9.98	10.18
STONE, CLAY & GLASS	533.90	559.44	571.78	39.2	43.3	40.9	13.62	12.92	13.98
PRIMARY METALS	600.40	591.28	609.83	39.5	38.9	40.2	15.20	15.20	15.17
NONDURABLE GOODS	354.02	370.28	379.82	36.8	37.9	38.6	9.62	9.77	9.84
PRINTING & PUBLISHING	357.59	376.88	379.41	35.3	37.5	36.8	10.13	10.05	10.31
PUBLIC UTILITIES	588.74	578.31	610.24	40.8	40.3	41.4	14.43	14.35	14.74
TRADE	305.88	303.83	303.15	34.1	34.1	34.1	8.97	8.91	8.89

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	JAN 1988	FEB 1988	MAR P 1988	JAN 1988	FEB 1988	MAR P 1988	JAN 1988	FEB 1988	MAR P 1988
CONSTRUCTION	$596.20	$535.84	$587.57	37.1	34.0	36.7	$16.07	$15.76	$16.01
MANUFACTURING	490.92	490.77	505.06	38.9	39.9	39.8	12.62	12.30	12.69
DURABLE GOODS	545.69	536.51	552.23	39.4	40.4	39.7	13.85	13.28	13.91
NONDURABLE GOODS	405.84	422.97	434.22	38.0	39.2	39.8	10.68	10.79	10.91
TRANSPORT. & UTILITIES	475.38	485.11	522.06	40.7	40.8	42.0	11.68	11.89	12.43
WHOLESALE TRADE	428.93	430.68	417.64	40.2	40.9	39.4	10.67	10.53	10.60
RETAIL TRADE	238.08	236.70	237.00	30.8	30.7	30.7	7.73	7.71	7.72

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

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EMPLOYMENT SECURITY DEPARTMENT
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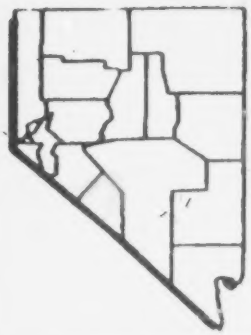

Nevada Employment Security Department

economic update

RICHARD H. BRYAN
Governor

STANLEY P. JONES
Executive Director

ECONOMIC UPDATE
Unemployment Rate
(SeasonallyAdjusted)

		APR	MAY	JUN
Nevada	1988	5.8%	5.6%	5.6%
	1987	6.5	6.5	6.4
Las Vegas	1988	6.5	6.1	6.1
	1987	6.7	6.8	6.7
Reno	1988	5.1	5.0	4.8
	1987	5.8	5.9	5.9
U.S	1988	5.4	5.6	5.3
	1987	6.3	6.3	6.1

Consumer Price Index*
All Urban Consumers
*(1982 - 84 = 100)

	APR	MAY	JUN
1988	117.1	117.5	118.0
1987	112.7	113.1	113.5

Gross Gaming Revenues
(In Thousands)

	1st Qtr. 1988	1st Qtr. 1987
Nevada	$1,035,322	$957,167
Las Vegas	746,344	696,138
Reno	166,405	155,018

Taxable Sales
(In Thousands)

	1st Qtr. 1988	1st Qtr. 1987
Nevada	$2,601,572	$2,232,987
Las Vegas	1,439,982	1,273,780
Reno	560,160	487,601

NEVADA ECONOMY
2nd Quarter 1988

The Nevada economy exhibited strong performance throughout the second quarter of 1988. The quarter began with a 5.8 percent unemployment rate and fell to 5.6 percent for both May and June. The June jobless rate was eight-tenths of a percentage point lower than one year ago. In two of the three months, the Nevada unemployment rate stood slightly higher than the national rate. In April the national jobless rate was 5.4 percent while in May both the national and Nevada unemployment rates were 5.6 percent. The U.S. unemployment rate dipped to 5.3 percent in June which was the lowest rate since May 1974. California's jobless rate began the quarter at 5.1 percent before climbing to 6.3 percent in May and ending the quarter at 5.6 percent in June.

Nevada continued to lead the nation in over-the-year industrial employment growth. At the end of the quarter, 27,600 more jobs existed in the state than in June 1987. Every major industry experienced positive growth with services showing the largest gain. Since June 1987, the number of service jobs created in the state was 10,300 for an increase of 4.6 percent. Of the total service jobs, 5,200 were created in the hotels, gaming, and recreation (HGR) sector alone. The trade industry also showed strong economic growth as 6,100 jobs were created over-the-year. Retail trade accounted for 5,200 of those positions.

Construction continues to experience employment gains as it ended the quarter with

an over-the-year growth of 10.4 percent or 3,200 jobs.

The mining industry remains quite active especially in the Balance of State (BOS) economy where gold mining is reaching boom proportions. The statewide increase in mining employment over-the-year totaled 2,600 jobs or 32.5 percent. Government and finance, insurance, and real estate (FIRE) added 1,900 and 1,400 jobs to the Nevada economy respectively, while manufacturing and transportation and public utilities (TCPU) ended the quarter with 1,100 and 1,000 jobs since last June.

The national economy had an outstanding performance during the second quarter of 1988 as the June unemployment rate was the lowest in fourteen years. During the month the number of jobless Americans declined by 346,000. Total establishment based industrial employment averaged 875,000 jobs higher than in the first quarter of this year according to the Bureau of Labor Statistics quarter-over-quarter figures. Employment gains in the service-producing sector totaled 589,000 for the second quarter while the goods-producing sector witnessed a 239,000 job gain.

The outlook for the Nevada economy calls for a possible decline in the unemployment rate for the summer months. Employment growth should remain steady in most sectors. Tourism and summer activities may be hampered, however as the drought situation continues throughout the state. Overall, Nevada's economy looks healthy heading into the third quarter.

LAS VEGAS

The Las Vegas economy continued to expand at a rapid pace during the second quarter. These gains were mirrored by many of the indicators used to measure the health of the economy. Gross gaming revenues increased by 7.2 percent during the first three months of the year. And, taxable sales were up significantly, increasing by 13 percent in the first quarter of 1988, the most recent data available.

The number of Las Vegas MSA unemployed continued to shrink during the second quarter, averaging 20,400. This is significantly less than the 22,000 unemployment level experienced during the first quarter of this year. The seasonally adjusted monthly unemployment rates during the quarter were 6.5, 6.1, and 6.1 percent respectively, for an average of 6.2 percent. During the second quarter of 1987, unemployment was significantly higher, averaging 6.7 percent. There were no persons involved in work stoppages.

The robust nature of the economy was reflected by the number of new jobs in the Las Vegas market. Establishment-based industrial employment continued to expand at one of the nations fastest paces. The number of jobs exceeded 300,000 for the first time during the second quarter. Employment levels for the quarter were 297,000, 300,400, and 301,900 respectively. These employment numbers averaged 299,800 for the quarter, nearly 6 percent higher than the 272,900 jobs averaged during the second quarter of 1987.

Job gains within individual industries continued to mirror recent trends. Construction job increases were significantly faster than average, reflecting the numerous commercial construction projects underway and the large number of residential units being built. As of May 1988 the number of residential building permits issued in the MSA (10,766) were more than double the number through May of 1987.

Another industry which reflected strong jobs gains was retail trade - especially, eating and drinking establishments, where June job gains, which reflect the quartely trend, were up nearly 9 percent over the year. The strength in this industry reflects the significant number of tourists visiting the area. But interestingly, job gains in the hotel, gaming, recreation (HGR) sector of the service industry have been running somewhat less than the average increase of all jobs in recent months. This would seem to suggest that the industry is not hiring addition personnel despite an increased number of visitors. The business sector of the service

industry has been exhibiting significant growth however, increasing by 9 percent over the year ended in June.

The manufacturing, transportation, communication, public utilities, and government industries continued to exhibit slower than average job growth in the area during the quarter. The significant decline in the number of jobs in the government industry during June can be attributed to the education sector as summer brought an end to the school year.

During the next few months the Las Vegas economy should continue to prosper. Unemployment will probably continue to trend down slightly as job growth remains strong. Relative job gains in the (HGR) sector will likely increase as new facilities come on line. However, there appears to be a shortage of jobseekers to fill many of the entry level, semi-skilled positions in the Las Vegas labor market.

RENO

Joblessness in the Truckee Meadows was improved over last year's quarter and as of June the area's seasonally adjusted unemployment rate had declined for five consecutive months. This gain was attributed to improved business conditions. The unemployment rate averaged 5.0 percent for the quarter and 6,700 persons jobless. In contrast, last year's level was much higher at 5.9 percent and 7,800 out of work. The quarter's rate began at 5.1 percent in April, declining to 5.0 for May and 4.8 percent in June. June's level was the lowest in almost two years (August 1986).

Establishment-based industrial employment reached record levels during the month of June totaling 138,800. During the quarter, total jobs averaged 137,800, 5.1 percent higher than last year. All industries experienced year over year job increases except for manufacturing which was off by 200. This decrease was due to the closure of two major employers, a printing business and a communications establishment. As expected, the service industry led all sectors with a gain of 2,900 jobs during the past 12 months. HGR accounted for almost one-half of that gain (1,400) in spite of the layoffs which occurred due to the temporary closure of a casino in downtown Reno because of an ownership change. HGR also benefitted from the opening of a new casino in Reno in March. Trade added 1,600 jobs primarily in its retail sector, aided by the opening of a food superstore in Sparks (a second store is scheduled to open in Reno in early August) with an additional 200 employees. Many other retailers have added staff to accommodate a busy tourist season. For example, attendance at the 6-day Reno Rodeo approached record levels.

Employment in construction also mirrors a healthy economy with a gain of 1,100, reflecting a strong 16.4 percent increase over year ago levels. In addition to numerous projects being built in the Truckee Meadows, three major highway contracts valued at more than $35 million are currently underway. Government increased by 900, primarily in state and local sectors, due to summer hires. Transportation/communications/public utilities reported gains of 300, mining was up 200, while finance/insurance/real estate was unchanged.

Gross gaming revenues for the first quarter of 1988 ($166.4 million) were up 7.4 percent over the year ago period, following a 7.2 percent gain reported for the previous quarter. This bodes well for the area's number one industry, which has now experienced six consecutive periods of positive revenue growth. Increases in taxable sales receipts by area merchants were up a substantial 14.9 percent, considerably higher than the weak 1.4 percent gain reported for the fourth quarter of 1987. Permits for construction of new residential and multiple family units have increased during recent months and, cumulative through May, are up by more than 30 percent over the year. Cumulative air passenger traffic counts over the same period are off slightly, as is the occupancy level for the area's hotels and motels.

Expected gaming job growth will be boosted by the opening of a new hotel/casino and the

reopening of a renovated casino in downtown Reno. In fact, a second remodeled casino is scheduled to open late this summer. Joblessness should continue at current or slightly lower levels during the prime tourist season as many employers add to their payrolls, and others re-locate to the area.

BALANCE OF STATE

As happened in 1987 in the balance of state (BOS) counties, total establishment based industrial employment for 1988 increased dramatically from the first quarter to the second. Average total jobs were 4,500 greater in the second quarter than the first (a 5.3 percent increase) and were 5,300 greater than in the same period of 1987. The largest gain was in the service sector with 1,400 new jobs (1,000 of those in hotel, gaming and recreation), but mining with 800 new jobs and construction with 500 had the highest percentage quarterly gains (10.0 and 11.9 percent respectively).

The manufacturing industry in the balance of state also continued to grow. Manufacturing jobs increased by 300 from the previous quarter and by 1,300 from the previous year. Slightly more than 30 percent of the manufacturing employment in Nevada is now located in the BOS counties.

The strong job-growth trend established over the last year in the BOS counties is expected to continue through the summer. The mining industry is expanding at a feverish pace, and major employment increases are anticipated in Elko, Eureka, Humboldt, Lander, Nye, Pershing, and White Pine Counties. The only limits to the expansion for the next several months may be shortage of housing for new employees and a possible exhaustion of the trained labor supply.

Manufacturing employment is also expected to grow because new plants are under construction in Carson City and in Lyon County, while an older plant is being brought back into operation and expanded in Douglas County. Storey County is also expected to see an increase in manufacturing employment within the next year, but the exact timing is uncertain.

In the near term, service employment

Balance Of State
Unemployment Rates By County
(seasonally adjusted)

	1988			1987		
County	Apr	May	Jun	Apr	May	Jun
Carson City	5.4%	5.4%	4.8%	6.5%	6.5%	6.3%
Churchill	6.2	6.0	6.8	8.3	8.0	7.5
Douglas	5.0	5.0	5.1	7.4	7.2	6.9
Elko	4.4	4.7	5.4	6.5	6.7	6.7
Esmeralda	6.0	7.8	8.2	9.6	8.7	7.0
Eureka	1.9	2.2	2.6	3.1	3.2	2.5
Humboldt	4.4	5.0	4.3	6.5	6.5	5.9
Lander	4.6	4.2	5.1	6.8	5.8	6.5
Lincoln	4.6	5.0	7.7	4.8	6.0	5.7
Lyon	5.5	6.1	5.8	7.7	7.6	7.9
Mineral	5.8	6.3	4.6	7.9	7.9	7.3
Nye	5.5	4.7	4.7	7.0	5.8	5.9
Pershing	3.3	3.8	4.2	3.2	3.0	4.1
Storey	7.4	7.1	5.5	7.3	6.0	3.8
White Pine	6.9	5.8	5.1	9.2	7.7	7.5

may show a slight increase, but no major change is foreseen in 1988 because no significant expansion of operations is planned in any part of rural Nevada. Taxable sales in the rural counties have led the State in percentage increases for several months, but a part of that is related to large purchases related to the mining expansion. Few trade personnel have been required to accomplish those sales, but some trade expansion will be necessary, as mining, manufacturing, and construction job opportunities expand.

Construction employment should increase through the summer because a great deal of highway, mining, and housing construction is scheduled. The apparent upward trend of interest rates may, however, restrict construction in the long run. The current mining, manufacturing, and construction growth will also require increased government services, but that isn't likely to cause any change in government employment before fall.

The BOS seasonally adjusted unemployment rate for the second quarter of 1988 was more than a full percentage point lower than for the same period of 1987. In spite of a strong labor force growth, the unemployment rate declined in 12 of the 15 BOS counties. There is an excellent chance that the rates could decline even more during the third quarter of 1988. The economic status of the balance of state counties appears to be quite positive.

GROSS STATE PRODUCT 1963 - 1986

by
Gary Lungstrum, Labor Economist

The Bureau of Economic Analysis (BEA) has recently introduced annual estimates of Gross State Product (GSP) for the period 1963-86. These estimates are the most comprehensive measures of production available for States and will improve the basis for analyzing and forecasting trends in State economic activity

GSP is the gross market value of the goods and services attributable to labor and property located in a State. It is the State counterpart of the Nation's gross domestic product (GDP).

BEA has prepared GSP estimates for 61 industries. For each industry GSP is composed of four components: (1) compensation of employees; (2) proprietors' income with inventory valuation adjustment and capital consumption allowances; (3) indirect business tax and nontax liability; and (4) other, mainly capital-related, charges. The estimates presented here are in current dollars for selected years. For a comprehensive review of the information, including the methodology, see the May 1988 issue of the Survey of Current Business.

The BEA article evaluates the economy for the period 1967 to 1986, concentrating on the divegence of regional business activity - the nations interior regions have declined relative to the coastal regions. This weakness, GSP measured as a share of the U.S. total, was apparent in the Great Lakes and Plains regions where sharp declines in the manufacturing and farming industries occurred in the late 1970's and early 1980's. This spread to the Southwest, Rocky Mountain and interior Southeast regions after 1982 as declining oil prices adversely affected energy-oriented industries. The nation also suffered two back-to-back recessions during this time, one in 1980 and the other in 1981-82. The better-performing coastal regions include New England, Mideast, coastal Southeast and the Far West. Economic activity in the Far West is dominated by California. In 1986 it comprised nearly 80 percent of the regions GSP. Other States in the region include Nevada (2.9% of total), Oregon (6.1% of total), and Washington (11.6% of total).

The chart on the next page indicates the economic interdependency of California, Nevada and the Nation. Growth rates from 1980 are similar, reflecting a slowing of business activity during the 1982 recession and the subsequent economic growth. In 1984, strong growth in the national economy and that of California peaked, followed thereafter by a more sustainable rate of growth. In contrast, gains in the Nevada economy were less volatile, ranging between 8 and 10 percent per year since 1983.

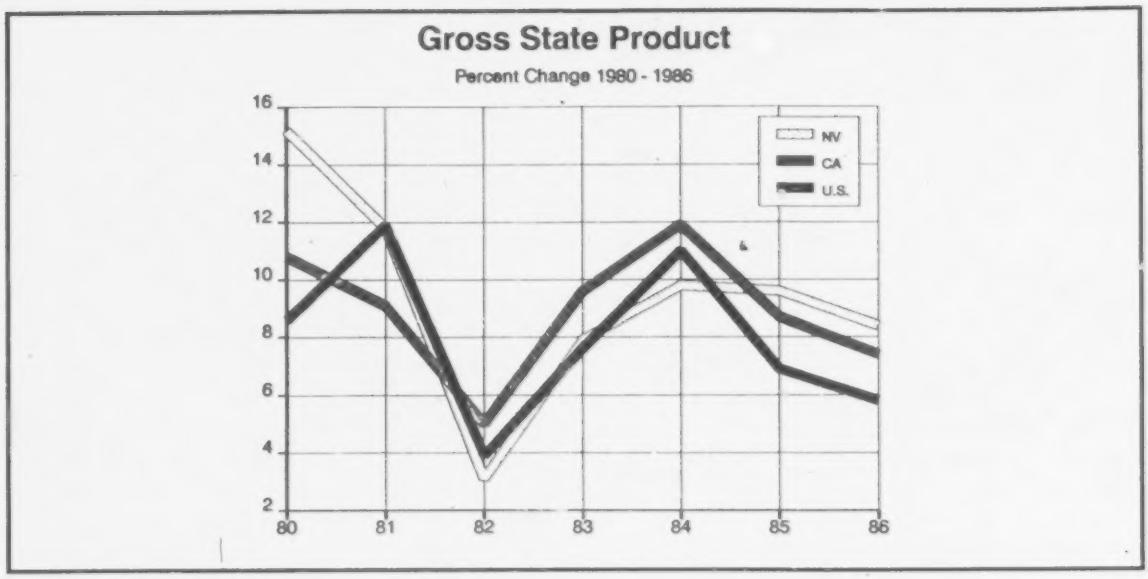

Table 1 below shows the Nevada Gross State Product for selected years. Employee compensation encompasses the largest share of the GSP for each of these periods (approximately 60 percent), but since 1977 this share has declined slightly. Capital charges have increased their proportion of the total and the indirect business tax component has held relatively steady. The share of proprietor's income is less than what it was in the earlier years, however its growth since 1982 has been quite significant.

Over the last several years the Nevada economy has been quite dynamic as the metropolitan areas were influenced by housing and hotel/casino growth and the mainspring of the rural areas has centered on

Table 1
Gross State Product
By Component For Selected Years
(millions of dollars)

					Average Annual Growth		
	1967	1977	1982	1986	77-86	77-82	82-86
Gross State Product	2,152	7,118	13,796	19,426	10.6%	11.7%	7.1%
Compensation	1,307	4,446	8,607	11,323	9.8	11.6	5.6
Proprietors' Income	199	681	803	1,267	6.4	2.8	9.5
Capital Charges	467	1,390	3,287	5,233	14.2	15.4	9.7
Indirect Business Taxes	179	601	1,099	1,666	10.7	10.6	8.7

mining activity. Table 2 shows Gross State Product by industry for the State for selected years.

Since 1967, only a small number of industries have significantly increased their share of GSP. These industries include mining, wholesale trade, and services. Farms have decidely lost ground, as has the federal civilian government component. The GSP share of manufacturing has declined slightly. Overall, excepting government and farms, the Nevada economy is relatively well-balanced as each of the industrial sectors are exhibiting similar rates of growth.

Table 2
Gross State Product
By Industry For Selected Years
(millions of dollars)

					Average Annual Growth		
	1967	1977	1982	1986	77-86	77-82	82-86
Total	2,152	7,118	13,796	19,426	10.6%	11.7%	7.1%
Farms	34	72	122	110	4.3	9.2	-2.0
Ag. Services	5	24	40	58	9.2	8.9	7.7
Mining	35	103	342	548	18.2	22.1	9.9
Construction	111	585	1,123	1,505	9.9	11.5	6.0
Manufacturing	114	361	626	933	10.0	9.6	8.3
Durable	77	234	386	583	9.6	8.7	8.6
Nondurable	38	127	240	351	10.7	11.2	7.9
Transportation & Public Utilities	226	659	1,308	1,834	10.8	12.1	7.0
Wholesale Trade	69	253	546	790	12.1	13.7	7.7
Retail Trade	217	784	1,394	1,907	9.3	10.1	6.5
Finance, Insurance, & Real Estate	327	971	1,777	2,746	11.0	10.6	9.1
Services	735	2,391	4,849	6,901	11.2	12.5	7.3
Federal Civilian	69	175	261	359	7.5	6.9	6.6
Federal Military	46	165	287	309	6.5	9.7	1.5
State & Local Government	164	576	1,120	1,426	9.5	11.7	4.9

Per Capita Personal Income

by
George Anastassatos

The Bureau of Economic Analysis of the U.S. Department of Commerce has published 1987 estimates for per capita personal income (PCPI) for the nation, 8 regional areas, and states. Table 1 below shows income figures for three most recent time periods and the percentage change. During 1987, income levels for the Far West Region ranked number three. On a statewide basis, California ranked number seven, Nevada was 12th, Washington was 15th and Oregon ranked 30th. Most areas exceeded the national inflation level of 3.7 percent during 1987 as measured by the U.S. Consumer Price Index for all urban wage earners (all items). The State of Washington's 3.1 percent was the only state in this region below that level. It was interesting to note that on a percentage basis, income growth for all four states fell below the national average.

Table 1
State Of Nevada
Per Capita Personal Income
For Selected Areas And Time Periods

Area	1985	1986	1987	%Change 1986-87
United States	$13,908	$14,636	$15,340	4.8%
Far West Region	15,494	16,311	17,048	4.5
California	16,041	16,863	17,661	4.7
Nevada	14,645	15,380	15,958	3.8
Oregon	12,688	13,331	13,887	4.2
Washington	14,114	14,979	15,444	3.1

Data estimates for 317 metropolitan statistical areas (MSAs) and for county-wide income levels were available through 1986. Washoe County ranked number 27 in the country during 1986 while Clark County was ranked at number 80. Income levels for both counties exceeded the 1.9 percent growth rate for inflation as measured by the U.S. Consumer Price Index during 1986 by a wide margin. Table 2 on the following page provides per capita income levels for the 17 Nevada counties. On a county basis, Douglas reported the highest level for 1986, followed by Washoe and Carson City.

State Of Nevada
Per Capita Personal Income
For Selected Areas And Time Periods

Area	1984	1985	1986	%Change 1985-86
Churchill	$11,564	$12,089	$12,722	5.2%
Clark	13,242	14,211	14,898	4.8
Douglas	16,956	18,102	19,397	7.2
Elko	12,814	13,007	13,421	3.2
Esmeralda	13,425	13,847	15,738	13.7
Eureka	11,635	16,297	16,458	1.0
Humboldt	10,994	11,734	11,775	0.3
Lander	12,081	13,103	13,245	1.1
Lincoln	12,184	12,591	13,316	5.8
Lyon	11,797	12,143	12,518	3.1
Mineral	12,133	12,054	12,499	3.7
Nye	11,322	11,392	11,946	4.9
Pershing	10,124	9,703	11,514	18.7
Storey	13,889	15,040	15,583	3.6
Washoe	15,837	16,608	17,469	5.2
White Pine	11,207	11,723	12,958	10.5
Carson City	14,877	15,835	17,020	7.5

Source: Bureau of Economic Analysis, U.S. Department of Commerce - April 1988

Employer Costs For Employee Compensation - March 1988

(This article recently appeared in the Bureau of Labor Statistics News)

Nationally, employer costs for employee compensation in private industry averaged $13.79 per hour worked in March 1988, the U.S. Department of Labor's Bureau of Labor Statistics reported. Straight-time wages and salaries--72.7 percent of the costs--averaged $10.02, while benefit costs--the remaining 27.3 percent--averaged $3.77.

Legally required benefits (e.g., social security, workers' compensation, unemployment insurance) averaged $1.22 per hour worked--the largest cost to employers among the benefit categories. Legally required benefits accounted for 8.8 percent of total compensation costs and about a third of all benefit costs. Social security, the largest legally required benefit, cost employers, on average, 81 cents per hour worked--5.9 percent of all compensation costs and about a fifth of all benefit costs.

Other important benefit categories and their average costs were: Paid leave (97 cents), insurance (78 cents), pensions and savings (45 cents), and supplemental pay (33 cents), which includes premium pay for overtime, shift pay, nonproduction increases.

Compensation costs varied widely by industry and occupational group, union status, and geographical region.

Compensation costs averaged more for workers in goods-producing industries ($16.42 per hour worked) than for those in service-producing industries ($12.72). Among service-producing industries, compensation costs ranged from $8.00 in retail trade to $20.50 in transportation and public utilities. Among the goods-producing industries for which data are available, compensation costs ranged from $14.55 in nondurables manufacturing to $17.44 in durables manufacturing.

Among occupational categories, average compensation costs were higher for white-collar workers ($15.97) than for blue-collar workers ($13.87) and service workers ($6.76). However, the level of compensation varied considerably by occupational group within the blue-collar and white-collar categories. No breakdown in compensation costs for various service occupations (e.g., janitors, waiters and waitresses, and nursing aides) is available.

In all private industry, benefits made up a larger proportión of compensation costs for blue-collar workers as a whole (30.8 percent) than for white-collar workers (25.9 percent) and service workers (23.1 percent). This relationship held when occupational groups within the blue-collar and white-collar categories were compared.

Benefits also accounted for a larger proportion of total compensation costs for blue-collar workers than for white-collar workers within both goods- and service-producing industries. In goods-producing industries, benefits made up 31.8 percent of compensation costs for blue-collar workers, compared with 28.0 percent for white-collar workers. The corresponding proportions in service-producing industries were 29.1 percent and 25.3 percent.)

Compensation costs averaged more for union workers ($18.16) in private industry than for nonunion workers ($12.90). In addition, benefits made up a larger proportion of compensation costs for union workers (33.7 percent) than for nonunion workers (25.5 percent). This pattern also was found when the comparison was limited to blue-collar workers in manufacturing. Union and nonunion cost levels reflect a variety of influences, including coverage by a collective bargaining agreement and variation in distribution of union and nonunion workers among occupations and indusries.

Compensation costs varied by region, ranging from $15.50 in the Northeast to $12.23 in the South. The proportion of compensation costs made up of benefits, however, was similar

among the four regions: 28.9 percent in the Midwest, 27.8 percent in the Northeast, 26.8 percent in the West, and 25.9 percent in the South.

For further information concerning this report, contact Felicia Nathan at (202-523-1165) or Kathryn Hoyle at (202-523-1913).

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NEVADA LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1988			1987		
	APR	MAY	JUN P	APR	MAY	JUN
CIVILIAN LABOR FORCE	574.8	579.8	582.8	548.1	559.3	565.4
UNEMPLOYMENT	33.9	31.1	31.6	35.9	34.9	35.1
UNEMPLOYMENT RATE	5.9%	5.4%	5.4%	6.5%	6.2%	6.2%
UNEMP. RATE (SEASONALLY ADJUSTED)	5.8%	5.6%	5.6%	6.5%	6.5%	6.4%
TOTAL EMPLOYMENT 1/	541.0	548.7	551.2	512.2	524.4	530.2
NONAGRICULTURAL EMPLOYMENT	534.1	541.8	544.5	506.3	514.8	520.4
AGRICULTURAL EMPLOYMENT	6.8	6.9	6.7	5.9	9.6	9.9
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1988			1987		
	APR	MAY	JUN P	APR	MAY	JUN
TOTAL NONAGRICULTURAL	520.2	527.7	532.1	490.1	498.9	504.5
MINING	9.7	10.1	10.6	7.3	7.6	8.0
METAL MINING	8.3	8.7	9.1	6.2	6.5	6.8
CONSTRUCTION	31.5	33.0	34.1	28.5	29.7	30.9
MANUFACTURING	24.1	24.1	24.5	22.5	22.8	23.4
DURABLE GOODS	14.4	14.4	14.6	13.9	14.0	14.2
STONE, CLAY, & GLASS PRODUCTS	1.7	1.7	1.8	1.6	1.6	1.6
PRIMARY METAL INDUSTRIES	1.2	1.1	1.2	1.0	1.1	1.1
NON-DURABLE GOODS	9.7	9.7	9.9	8.6	8.8	9.2
FOOD PRODUCTS	1.5	1.6	1.6	1.4	1.5	1.5
PRINTING & PUBLISHING	4.3	4.3	4.4	4.1	4.1	4.2
CHEMICALS	0.8	0.7	0.7	0.8	0.8	0.8
TRANSPORTATION & PUBLIC UTILITIES	28.0	28.3	28.9	27.2	27.6	27.9
TRANSPORTATION	16.2	16.5	16.9	15.8	16.0	16.2
RAILROAD	0.9	0.9	0.9	1.0	0.9	0.9
TRUCKING & WAREHOUSE	4.6	4.8	4.9	4.4	4.5	4.6
AIR	4.2	4.3	4.4	4.2	4.3	4.4
PUBLIC UTILITIES	11.8	11.8	12.0	11.4	11.7	11.6
TOTAL TRADE	104.9	106.6	108.5	98.0	100.3	102.4
WHOLESALE	19.5	19.6	19.9	18.3	18.6	19.0
RETAIL	85.4	87.0	88.6	79.7	81.7	83.4
GENERAL MERCHANDISE & APPAREL	13.8	13.8	13.9	13.1	13.2	13.6
FOOD STORES	12.7	13.2	13.4	12.0	12.4	12.5
AUTO DEALERS & SERVICE STATIONS	11.4	11.7	12.1	10.8	11.0	11.3
EATING & DRINKING PLACES	29.3	30.0	30.8	26.9	27.9	28.4
FINANCE, INSURANCE & REAL ESTATE	24.4	24.8	25.1	23.2	23.4	23.7
FINANCE	11.2	11.2	11.4	10.6	10.7	10.8
SERVICE INDUSTRIES	230.0	232.7	235.2	218.7	222.4	224.9
HOTELS, GAMING & RECREATION	141.8	143.7	145.4	136.2	138.4	140.2
PERSONAL	6.2	6.2	6.2	6.0	5.9	6.0
BUSINESS	29.4	29.9	30.0	27.1	28.1	28.1
MEDICAL & HEALTH	22.1	22.1	22.3	21.0	21.0	21.0
GOVERNMENT	67.6	68.1	65.2	64.7	65.1	63.3
FEDERAL	11.3	11.2	11.5	11.1	11.3	11.6
STATE & LOCAL	56.3	56.9	53.7	53.6	53.8	51.7
EDUCATION - STATE & LOCAL	26.4	26.5	22.5	25.0	24.9	22.1

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

LAS VEGAS LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1988			1987		
	APR	MAY	JUN P	APR	MAY	JUN
CIVILIAN LABOR FORCE	335.3	337.4	339.0	319.3	323.9	327.0
UNEMPLOYMENT	21.1	19.5	20.5	21.0	20.8	21.7
UNEMPLOYMENT RATE	6.3%	5.8%	6.1%	6.6%	6.4%	6.6%
UNEMP. RATE (SEASONALLY ADJUSTED)	6.5%	6.1%	6.1%	6.7%	6.8%	6.7%
TOTAL EMPLOYMENT 1/	314.2	318.0	318.4	298.4	303.1	305.3
NONAGRICULTURAL EMPLOYMENT	312.5	316.3	316.8	296.9	300.7	302.9
AGRICULTURAL EMPLOYMENT	1.7	1.7	1.6	1.4	2.3	2.4
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1988			1987		
	APR	MAY	JUN P	APR	MAY	JUN
TOTAL NONAGRICULTURAL	297.0	300.4	301.9	279.4	283.7	285.7
MINING	0.3	0.3	0.3	0.3	0.3	0.3
CONSTRUCTION	19.4	20.1	20.7	17.9	18.6	19.2
MANUFACTURING	8.8	8.8	8.9	8.5	8.6	8.7
DURABLE GOODS	4.3	4.3	4.4	4.4	4.4	4.4
STONE, CLAY, & GLASS PRODUCTS	0.9	0.9	0.9	0.8	0.8	0.8
NON-DURABLE GOODS	4.5	4.5	4.5	4.1	4.2	4.3
FOOD PRODUCTS	0.9	0.9	0.9	0.8	0.8	0.9
PRINTING & PUBLISHING	2.1	2.1	2.1	2.0	2.0	2.0
CHEMICALS	0.6	0.5	0.5	0.6	0.6	0.6
TRANSPORTATION & PUBLIC UTILITIES	15.9	16.1	16.4	15.3	15.6	15.7
TRANSPORTATION	9.6	9.8	10.0	9.3	9.5	9.7
RAILROAD	0.3	0.3	0.3	0.3	0.3	0.3
AIR	3.0	3.1	3.2	3.0	3.1	3.2
PUBLIC UTILITIES	6.3	6.3	6.4	6.0	6.1	6.0
TOTAL TRADE	62.5	63.6	64.2	57.9	58.8	60.1
WHOLESALE	10.5	10.6	10.7	9.8	9.9	10.1
RETAIL	52.0	53.0	53.5	48.1	48.9	50.0
GENERAL MERCHANDISE & APPAREL	7.8	7.8	7.9	7.4	7.5	7.8
EATING & DRINKING PLACES	19.0	19.4	19.7	17.3	17.7	18.1
FINANCE, INSURANCE & REAL ESTATE	15.1	15.2	15.4	13.9	14.1	14.3
FINANCE	6.8	6.9	7.0	6.4	6.5	6.5
SERVICE INDUSTRIES	140.4	141.7	143.4	133.1	135.2	135.5
HOTELS, GAMING & RECREATION	91.2	92.1	93.4	88.3	89.3	89.1
PERSONAL	4.1	4.1	4.1	3.9	3.9	3.9
BUSINESS	15.6	15.6	15.7	13.7	14.5	14.4
GOVERNMENT	34.6	34.6	32.6	32.5	32.5	31.9
FEDERAL	6.5	6.4	6.5	6.1	6.1	6.2
STATE & LOCAL	28.1	28.2	26.1	26.4	26.4	25.7
EDUCATION - STATE & LOCAL	13.8	13.8	11.3	12.7	12.7	11.6

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

RENO LABOR FORCE SUMMARY

(ESTIMATES IN THOUSANDS)

	1988			1987		
	APR	MAY	JUN P	APR	MAY	JUN
CIVILIAN LABOR FORCE	140.4	141.9	141.7	135.6	137.7	138.7
UNEMPLOYMENT	7.3	6.6	6.2	8.1	7.8	7.5
UNEMPLOYMENT RATE	5.2%	4.7%	4.4%	6.0%	5.7%	5.4%
UNEMP. RATE (SEASONALLY ADJUSTED)	5.1%	5.0%	4.8%	5.8%	5.9%	5.9%
TOTAL EMPLOYMENT 1/	133.1	135.3	135.4	127.5	130.0	131.3
NONAGRICULTURAL EMPLOYMENT	132.2	134.4	134.6	126.7	128.7	129.9
AGRICULTURAL EMPLOYMENT	0.9	0.9	0.9	0.8	1.3	1.3
PERSONS INVOLVED IN WORK STOPPAGES	0.0	0.0	0.0	0.0	0.0	0.0

1/ ADJUSTED BY CENSUS RELATIONSHIPS TO REFLECT NUMBER OF PERSONS BY PLACE OF RESIDENCE.

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ESTABLISHMENT BASED INDUSTRIAL EMPLOYMENT 2/

	1988			1987		
	APR	MAY	JUN P	APR	MAY	JUN
TOTAL NONAGRICULTURAL	136.3	138.2	138.8	129.3	131.3	132.6
MINING	1.0	1.0	1.1	0.8	0.8	0.9
CONSTRUCTION	7.5	7.8	8.2	6.8	6.8	7.1
MANUFACTURING	8.2	8.2	8.2	8.3	8.3	8.5
DURABLE GOODS	5.0	5.0	5.0	5.3	5.3	5.3
NON-DURABLE GOODS	3.2	3.2	3.2	3.0	3.0	3.2
TRANSPORTATION & PUBLIC UTILITIES	9.2	9.2	9.4	8.9	9.0	9.1
TRANSPORTATION	5.0	5.0	5.1	4.8	4.8	4.8
RAILROAD	0.3	0.3	0.3	0.3	0.3	0.3
TRANSPORTATION EXCL. RAILROAD	4.7	4.7	4.8	4.5	4.5	4.5
PUBLIC UTILITIES	4.2	4.2	4.3	4.1	4.2	4.3
TOTAL TRADE	30.2	30.6	31.3	28.4	29.2	29.6
WHOLESALE	7.5	7.4	7.5	7.1	7.3	7.5
RETAIL	22.7	23.2	23.8	21.3	21.9	22.1
GENERAL MERCHANDISE & APPAREL	5.1	5.0	5.1	4.7	4.7	4.8
EATING & DRINKING PLACES	6.5	6.6	6.8	6.1	6.3	6.4
FINANCE, INSURANCE & REAL ESTATE	6.9	7.0	7.1	7.0	7.0	7.0
SERVICE INDUSTRIES	56.2	57.0	56.9	52.7	53.6	55.0
HOTELS, GAMING & RECREATION	31.6	32.3	31.9	29.6	30.3	31.5
PERSONAL	1.4	1.3	1.3	1.4	1.3	1.4
GOVERNMENT	17.1	17.4	16.6	16.4	16.6	15.4
FEDERAL	3.0	3.0	3.0	2.9	3.0	3.0
STATE & LOCAL	14.1	14.4	13.6	13.5	13.6	12.4
EDUCATION - STATE & LOCAL	7.9	8.0	7.0	7.8	7.7	6.4

2/ REFLECTS EMPLOYMENT BY PLACE OF WORK. DOES NOT NECESSARY COINCIDE WITH LABOR FORCE CONCEPT. INCLUDES MULTIPLE JOB HOLDERS.

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN NEVADA

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	APR 1988	MAY 1988	JUN P 1988	APR 1988	MAY 1988	JUN P 1988	APR 1988	MAY 1988	JUN P 1988
MINING	$ 655.04	661.76	664.42	44.2	47.1	47.8	14.82	14.05	13.90
CONSTRUCTION	579.14	598.24	610.45	35.4	36.5	37.2	16.36	16.39	16.41
MANUFACTURING	386.61	396.00	391.33	38.7	39.6	38.9	9.99	10.00	10.06
DURABLE GOODS	401.18	415.75	415.04	39.8	40.8	40.1	10.08	10.19	10.35
STONE, CLAY & GLASS	554.06	586.97	607.34	38.8	39.5	41.4	14.28	14.86	14.67
PRIMARY METALS	598.88	601.38	618.28	39.4	39.8	40.2	15.20	15.11	15.38
NONDURABLE GOODS	362.73	364.18	349.38	36.9	37.7	36.7	9.83	9.66	9.52
PRINTING & PUBLISHING	371.00	376.50	367.07	35.3	37.5	36.2	10.51	10.04	10.14
PUBLIC UTILITIES	594.69	596.26	591.60	40.9	40.7	40.8	14.54	14.65	14.50
TRADE	311.44	315.98	319.41	34.3	34.8	35.1	9.08	9.08	9.10

P = PRELIMINARY

AVERAGE HOURS AND EARNINGS IN SELECTED INDUSTRIES IN LAS VEGAS

	AVERAGE WEEKLY EARNINGS			AVERAGE WEEKLY HOURS			AVERAGE HOURLY EARNINGS		
	APR 1988	MAY 1988	JUN P 1988	APR 1988	MAY 1988	JUN P 1988	APR 1988	MAY 1988	JUN P 1988
CONSTRUCTION	582.45	589.54	604.21	35.3	35.6	37.0	16.50	16.56	16.33
MANUFACTURING	478.08	491.53	501.14	38.4	39.8	39.9	12.45	12.35	12.56
DURABLE GOODS	526.52	539.89	561.84	38.8	40.2	41.1	13.57	13.43	13.67
NONDURABLE GOODS	412.68	422.58	415.29	38.0	39.2	38.1	10.86	10.78	10.90
TRANSPORT. & UTILITIES	494.05	500.19	487.15	41.0	41.1	40.8	12.05	12.17	11.94
WHOLESALE TRADE	414.79	423.26	411.72	38.3	39.3	39.1	10.83	10.77	10.53
RETAIL TRADE	243.36	246.48	252.65	31.2	31.6	31.9	7.80	7.80	7.92

P = PRELIMINARY

THIS DATA IS PREPARED IN CONJUNCTION WITH THE BUREAU OF LABOR STATISTICS.

STATE OF NEVADA
EMPLOYMENT SECURITY DEPARTMENT
500 E. THIRD STREET
CARSON CITY, NEVADA 89713-0001

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